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As filed with the Securities and Exchange Commission on July 9, 2021

Registration No. 333-

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

FORM S-1
REGISTRATION STATEMENT
Under
The Securities Act of 1933

RANI THERAPEUTICS HOLDINGS, INC.
(Exact name of registrant as specified in its charter)

Delaware	2834	86-3114789
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

2051 Ringwood Avenue
San Jose, California 95131
408-457-3700
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Talat Imran
Chief Executive Officer
Rani Therapeutics Holdings, Inc.
2051 Ringwood Avenue
San Jose, California 95131
408-457-3700
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Josh Seidenfeld **Mark B. Weeks** **John T. McKenna** **Charles S. Kim** **Cooley LLP** **3175 Hanover Street** **Palo Alto, California 94304** **650-843-5000**	**Deepa M. Rich** **Edwin O'Connor** **Sam Zucker** **Shoaib Ghias** **Goodwin Procter LLP** **601 Marshall Street** **Redwood City, California 94063** **650-752-3100**

Approximate date of commencement of proposed sale to the public:
As soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

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

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

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price (1)(2)	Amount of Registration Fee
Class A common stock, $0.0001 par value	$100,000,000	$10,910

(1) Includes offering price of any additional shares of Class A common stock that the underwriters have the option to purchase.
(2) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state or other jurisdiction where the offer or sale is not permitted.

Subject to Completion
Preliminary Prospectus dated July 9, 2021

Shares

Class A Common Stock

This is the initial public offering of shares of Class A common stock of Rani Therapeutics Holdings, Inc., par value $0.0001. We are offering shares of our Class A common stock.

Prior to this offering, there has been no public market for our Class A common stock. It is currently estimated that the initial public offering price will be between $ and $ per share. We have applied to list our Class A common stock on the Nasdaq Global Market under the symbol "RANI."

We will use the net proceeds that we receive from this offering to purchase from Rani Therapeutics, LLC, or Rani LLC, newly issued common membership interests of Rani LLC, which we refer to as the LLC Interests. There is no public market for the LLC Interests. The purchase price for the newly issued LLC Interests will be equal to the initial public offering price of our Class A common stock, less the underwriting discounts and commissions referred to below. We intend to cause Rani LLC to use the net proceeds it receives from us in connection with this offering as described in the section titled "Use of Proceeds." Simultaneous with this offering, certain of the owners of membership interests in Rani LLC, whom we refer to as Former LLC Owners, will exchange their membership interests in Rani LLC for shares of Class A common stock and other holders of membership interests in Rani LLC, whom we refer to as the Continuing LLC Owners, will retain their membership interests in Rani LLC.

This offering is being conducted through what is commonly referred to as an "Up-C" structure, which is often used by partnerships and limited liability companies undertaking an initial public offering. The Up-C structure will allow the Continuing LLC Owners to retain their equity ownership in Rani LLC and to continue to realize tax benefits associated with owning interests in an entity that is treated as a partnership, or "passthrough" entity, for U.S. federal income tax purposes and may provide future tax benefits for both Rani Therapeutics Holdings, Inc., and certain of the Continuing LLC Owners if and when Continuing LLC Owners ultimately redeem or exchange their LLC Interests for shares of our Class A common stock. We are a holding company, and upon the closing of this offering and the application of proceeds therefrom our principal asset will be the noneconomic voting Class B common units and the LLC Interests we purchase from Rani LLC and acquire from the Former LLC Owners, representing an aggregate % economic interest in Rani LLC. The remaining % economic interest in Rani LLC will be owned by the Continuing LLC Owners through their ownership of LLC Interests. See the section titled "Organizational Transactions."

Following the closing of this offering, we will have three classes of common stock: Class A common stock, Class B common stock and Class C common stock. The Class B common stock, which we refer to as noneconomic voting equity interests, will have no rights to receive any distributions or dividends, whether cash or stock, and will not be publicly traded. Each share of Class A common stock entitles its holders to one vote per share and each share of Class B common stock entitles its holders to 10 votes per share on all matters presented to our stockholders generally. Shares of Class C common stock have no voting rights, except as otherwise required by law. Immediately following the completion of this offering, all of our Class B common stock will be held by the Continuing LLC Owners, on a one-to-one basis with the number of LLC Interests they respectively own. Immediately following the completion of this offering, the holders of our Class A common stock issued in this offering collectively will hold % of the economic interests in us and % of the voting power in us, the Former LLC Owners, through their ownership of Class A common stock, collectively will hold % of the economic interests in us and % of the voting power in us, and the Continuing LLC Owners, through their ownership of Class B common stock, collectively will hold no economic interest in us and the remaining % of the voting power in us. Immediately following the completion of this offering, no shares of Class C common stock will be issued and outstanding.

We will be the sole managing member of Rani LLC. We will operate and control all of the business and affairs of Rani LLC and, through Rani LLC and its subsidiary, conduct our business.

Upon the completion of this offering, the number of shares owned by our controlling stockholder, InCube Labs, LLC, or ICL, will represent approximately % of the total voting power of our outstanding capital stock (or approximately % of the total voting power of our outstanding capital stock, if the underwriters exercise in full their option to purchase additional shares of Class A common stock). As a result of ICL's ownership of our Class A common stock following this offering, we will be a "controlled company" under the listing requirements of Nasdaq, or the Nasdaq Marketplace Rules. We do not intend to rely on the exemptions from the corporate governance requirements of the Nasdaq Marketplace Rules. See the section titled "Management—Controlled Company Status."

We are an "emerging growth company" as defined under the federal securities laws and, as such, we have elected to comply with certain reduced public company reporting requirements for this prospectus and may elect to do so in future filings.

Investing in our Class A common stock involves risks that are described in the "Risk Factors" section beginning on page 22 of this prospectus.

	Per Share	Total
Initial public offering price	$	$
Underwriting discounts and commissions(1)	$	$
Proceeds, before expenses, to us	$	$

(1) See the section titled "Underwriting" for additional information regarding compensation payable to the underwriters.

The underwriters may also exercise their option to purchase up to an additional shares of Class A common stock from us, at the public offering price, less the underwriting discount, for 30 days after the date of this prospectus.

Neither the Securities and Exchange Commission nor any other state securities commission has approved or disapproved of these securities or passed on the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The shares of Class A common stock will be ready for delivery on or about , 2021.

Book-Running Managers

BofA Securities **Stifel** **Cantor** **Canaccord Genuity**

Lead Manager

BTIG

The date of this prospectus is , 2021.

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We and the underwriters have not authorized anyone to provide you any information other than that contained in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. We and the underwriters take no responsibility for and can provide no assurance as to the reliability of, any other information that others may give you. We and the underwriters are not making an offer to sell shares of Class A common stock in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus. Our business, financial condition, results of operations, and prospects may have changed since that date.

For investors outside of the United States: we have not and the underwriters have not done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than the United States. Persons outside of the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of Class A common stock and the distribution of this prospectus outside of the United States.

BASIS OF PRESENTATION

In connection with the closing of this offering, we will effect certain organizational transactions. Unless otherwise stated or the context otherwise requires, all information in this prospectus reflects the completion of the organizational transactions and this offering, which we refer to collectively as the "Organizational Transactions." See the section titled "Organizational Transactions" for additional information regarding the Organizational Transactions.

As used in this prospectus, unless the context otherwise requires, references to:

- "we," "us," "our," the "Company," "Rani," "Rani Holdings," "Rani Therapeutics Holdings, Inc." and similar references refer: (i) following the completion of the Organizational Transactions, including this offering, to Rani Therapeutics Holdings, Inc., and, unless otherwise stated, all of its subsidiaries, including Rani Therapeutics, LLC, which we refer to as "Rani LLC," and, unless otherwise stated, its subsidiary, and (ii) on or prior to the completion of the Organizational Transactions, including this offering, to Rani Therapeutics, LLC and, unless otherwise stated, its subsidiary.

- "Continuing LLC Owners" refers to the individuals and entities that will continue to own LLC Interests (as defined below) and which may also hold noneconomic voting equity interests in the form of Class B common stock in Rani LLC after the Organizational Transactions. The Continuing LLC Owners may, following the completion of this offering, exchange or redeem their LLC Interests for shares of our Class A common stock or, if we elect in lieu of shares of Class A common stock, a cash payment as described in the section titled "Certain Relationships and Related Person Transactions—Rani LLC Agreement," in each case, together with a cancellation of the same number of their shares of Class B common stock. Certain Continuing LLC Owners will be legacy holders of Profits Interests (as defined below) who do not exchange their LLC Interests for shares of our Class A common stock in connection with the completion of this offering.

- "ICL" refers to InCube Labs, LLC, a Delaware limited liability company.

- "Former LLC Owners" refers to those individuals who hold Profits Interests in Rani LLC that, upon the effectiveness of this offering, will be recapitalized to LLC Interests and exchanged for shares of our Class A common stock in connection with the completion of this offering, as described in the section titled "Organizational Transactions."

- "LLC Interests" refers to the single class of common units in Rani LLC until we adopt our fifth amended and restated LLC agreement upon the effectiveness of this offering, after which "LLC Interests" refers to economic nonvoting Class A common units.

- "Tax Receivable Agreement" refers to the tax receivable agreement to be entered into by Rani LLC and certain of the Continuing LLC Owners. See the section titled "Certain Relationships and Related Person Transactions—Tax Receivable Agreement."

Following completion of the Organizational Transactions and the application of net proceeds therefrom, we will be a holding company and the sole managing member of Rani LLC and our principal asset will be our interests in Rani LLC. Rani LLC is the predecessor of the issuer, Rani Holdings, for financial reporting purposes. Accordingly, this prospectus contains the historical consolidated financial statements of Rani LLC. As we will have no other interest in any operations other than those of Rani LLC and its subsidiary, the historical consolidated financial information included in this prospectus is that of Rani LLC and its subsidiary. As Rani Holdings has no business transactions or activities to date and had no assets or liabilities during the periods presented, the historical financial statements of this entity are not included in this prospectus. Following completion of this offering, the reporting entity for purposes of periodic reporting will be Rani Holdings.

The unaudited pro forma financial information of Rani Holdings presented in this prospectus has been derived by the application of pro forma adjustments to the historical consolidated financial statements of Rani LLC and its subsidiary included elsewhere in this prospectus. The unaudited pro forma condensed consolidated financial data of Rani Holdings presented in this prospectus has been derived from the application of pro forma adjustments to the historical consolidated financial statements of Rani LLC included elsewhere in this prospectus. These pro forma adjustments give effect to the Organizational Transactions as described in the section titled "Organizational Transactions," including the completion of this offering and other related transactions, as if all such transactions had occurred on January 1, 2020. See the section titled "Unaudited Pro Forma Condensed Consolidated Financial Information" for a complete description of the adjustments and assumptions underlying the unaudited pro forma condensed consolidated financial data included in this prospectus.

Numerical figures included in this prospectus have been subject to rounding adjustments. Accordingly, numerical figures shown as totals in various tables may not be arithmetic aggregations of the figures that precede them.

PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus and is qualified in its entirety by the more detailed information and consolidated financial statements included elsewhere in this prospectus. It does not contain all of the information that may be important to you and your investment decision. You should carefully read this entire prospectus, including the sections titled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Organizational Transactions" and our consolidated financial statements and related notes included elsewhere in this prospectus. Some of the statements in this prospectus are forward-looking statements. See the section titled "Special Note Regarding Forward-Looking Statements." See the section titled "Glossary" for certain definitions of key scientific, technical, and other terms used in this prospectus.

Overview

We are a clinical stage biotherapeutics company advancing technologies to enable the development of orally administered biologics, which we believe will have the potential to transform medicine and improve patient outcomes. We have developed the RaniPill capsule, which is our novel, proprietary and patented platform technology, intended to replace subcutaneous or IV injection of biologics with oral dosing. The RaniPill capsule is an orally ingestible pill approximately the size of a "000" capsule (or similar to the size of a standard fish oil or calcium pill) that is designed to automatically administer a precise therapeutic dose of medication upon deployment in the small intestine. To date, we have successfully conducted several preclinical and clinical studies to evaluate safety, tolerability and bioavailability using the RaniPill capsule. Our development efforts have enabled us to construct an extensive intellectual property portfolio that we believe provides us a competitive advantage.

Patient aversion to injections has promoted a significant interest in the development of solutions to enable the oral delivery of biologics. Despite repeated attempts, oral delivery of biotherapeutics remains largely unsuccessful due to their rapid degradation and digestion in the GI environment. The most significant hurdle for oral biologics is the ability to achieve sufficient bioavailability, which is the proportion of a delivered dose that reaches the bloodstream and produces an intended therapeutic effect. Most prior attempts have taken a chemistry-based approach, which involves protecting the biologic from being digested and improving absorption by chemical agents. The best attempts have resulted in low bioavailability of peptides in the range of 1% or less.

In contrast to these prior attempts, the RaniPill capsule delivers biologics with high bioavailability, similar to subcutaneous injection, in the range of 40% to 78%, with high dosing accuracy. Further, the RaniPill capsule is designed to orally deliver a number of biologics, from peptides to antibodies. We also believe our technology may have application in delivering emerging cell and gene therapies.

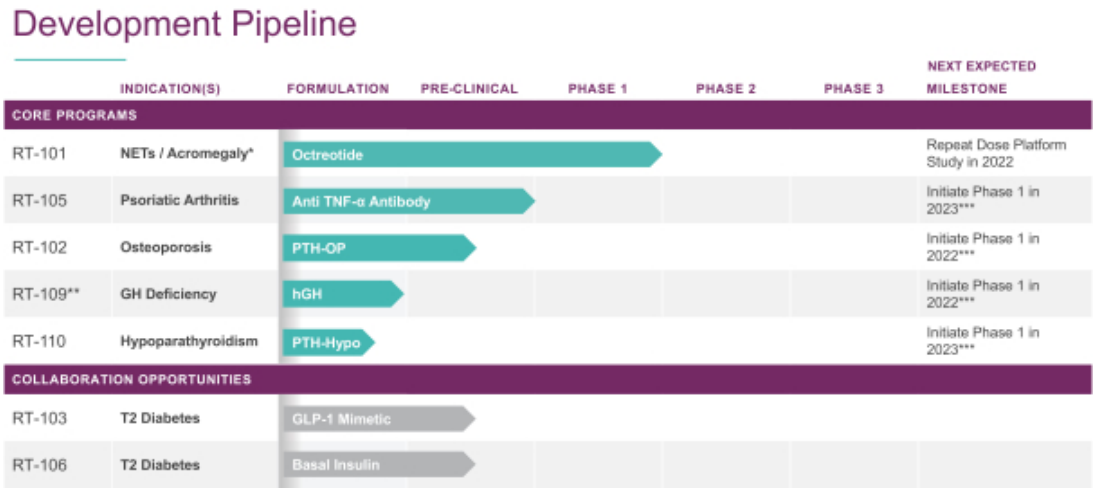
The RaniPill capsule's proprietary protective coating is designed to withstand the stomach acid and only dissolve in the jejunum, the upper half of the small intestine. Once dissolved, a microneedle containing a biologic drug is delivered into the highly vascularized wall of the small intestine so that the biologic can enter the bloodstream.

We have tested our most advanced product candidate in a Phase 1 clinical trial conducted in Australia, and we are further optimizing the formulation in preparation for a regulatory submission to FDA to initiate subsequent trials. Based on discussions with the FDA and the guidance we have received from CDRH in a pre-IDE meeting, we expect to be able to conduct further testing in humans in the contemplated IDE study of the RaniPill in the United States. In this study, we will evaluate the safety and tolerability of the RaniPill capsule, independent of any drug or biologic. This will be followed by a more standard regulatory pathway for each of our pipeline candidates. Our current pipeline includes well-characterized biologics that have been in clinical use for several years. We believe that we may be able to leverage the FDA's prior conclusions of safety, purity and

potency for certain approved biologic products in our own BLA submissions. The degree to which we may be able to reduce the burden on our own development will depend on whether the API is the same as the original approved product, particularly for products originally approved as NDAs and now deemed to be biologics. We intend to have this clarified on a product-by-product basis in pre-IND meetings with the FDA.

Our Pipeline

Our pipeline includes five core product candidate programs. Additionally, we envision complementing these core programs with robust partnering activities to maximize the value inherent in the RaniPill capsule. Below is a summary of our product candidate pipeline.



RT-XXX refers to the RaniPill capsule containing a biologic in a proprietary Rani formulation
*Each of these indications will require separate trials
**CCHN will have limited opportunity to negotiate for rights within China
***To follow submission and clearance of IND

RT-101: Octreotide for the treatment of NETs and acromegaly

We are developing RT-101, our most advanced candidate, for oral administration of octreotide for acromegaly and NETs. Octreotide is currently approved by the FDA and EMA for the symptomatic treatment of acromegaly, a disorder involving the secretion of excessive growth hormone, as well as carcinoid syndrome, a condition involving NETs of the GI tract. Current treatment using octreotide involves painful subcutaneous injections administered three to four times daily or an extended release formulation via painful, deep intramuscular injections every four weeks. Despite the inconvenience of the current route of administration, the worldwide market for octreotide in 2020 was approximately $2.7 billion. By introducing an oral version of octreotide, we aim to improve patients' quality of life, eliminate the burden and pain of these injections, and enable patients to more conveniently manage their disease.

We have completed a Phase 1 clinical trial in which bioavailability of RT-101 was 65% relative to the IV group. We believe this is the first demonstration of such high bioavailability of an oral biologic in humans. To date, the best published bioavailability for oral octreotide is approximately 1%. The results of the RT-101 Phase 1 clinical trial support the utility of the RaniPill capsule to deliver octreotide orally. In addition, we believe the results support the utility of the RaniPill capsule for other biologics. We are further optimizing the formulation in preparation for subsequent clinical trials with RT-101. We have worldwide commercial rights to RT-101.

RT-105: Anti-TNF-alpha antibody for the treatment of psoriatic arthritis

We are developing RT-105 as an oral anti-TNF-alpha antibody for a host of inflammatory conditions. Several TNF-alpha antibodies such as adalimumab have been approved by the FDA and EMA to treat a range of autoimmune conditions, including psoriasis, rheumatoid arthritis and Crohn's disease. Humira is a well-known brand of adalimumab and the world's best-selling drug, with worldwide sales of approximately $20.0 billion in 2019. Patients who use adalimumab administer the drug through a painful subcutaneous injection once every two weeks. We believe RT-105 represents a substantial global market opportunity.

We embarked on this program using commercially available TNF-alpha inhibitors (adalimumab and biosimilar) to conduct preclinical and clinical feasibility and proof of concept studies. To date, we have developed a formulation of a TNF-alpha inhibitor suitable for use with the RaniPill capsule and have conducted a series of preclinical studies and an early clinical study which we believe provide compelling evidence of our ability to reliably achieve therapeutic serum concentrations of the antibody via direct injection into the intestinal wall. We plan to initiate a Phase 1 clinical trial of RT-105 in healthy volunteers in 2023 and develop it for the treatment of psoriatic arthritis. Later, we plan to expand RT-105 to other indications for which TNF-alpha inhibitors are approved. We have worldwide commercial rights to RT-105.

RT-102: Parathyroid hormone for the treatment of osteoporosis

We are developing RT-102 for oral administration of PTH for the treatment of osteoporosis. PTH is approved by the FDA for the treatment of osteoporosis, a bone-loss disease, as well as for other conditions. While there are several medications available for the prevention or treatment of osteoporosis, the bone-building treatments, such as PTH, require frequent painful subcutaneous injections. Approximately 10.0 million Americans suffer from osteoporosis; however, we estimate only a small fraction of this population is being treated with PTH. While there may be other reasons for this, we believe that patients' aversion to daily injections may be a factor. As a result, non-bone-building and less effective antiresorptive drugs are used as first line therapies because they are available in oral form. We believe an oral version of PTH would advance treatment of osteoporosis and has the potential to expand this market.

We have optimized our PTH formulation for use in the RaniPill capsule for the treatment of osteoporosis and are currently conducting preclinical studies with RT-102. We plan to initiate a Phase 1 clinical trial with RT-102 in healthy volunteers in 2022. We have worldwide commercial rights to RT-102.

RT-109: HGH for the treatment of growth hormone deficiency

We are developing RT-109 for oral administration of hGH for the treatment of growth hormone deficiency. HGH is approved by the FDA for the treatment of growth hormone deficiency. Current treatment with hGH involves daily painful subcutaneous injections. Despite this, worldwide sales of hGH totaled approximately $6.0 billion in 2020. We believe that both pediatric and adult patients suffering from growth hormone deficiency would prefer once-daily oral administration.

We are finalizing our hGH formulation for the RaniPill capsule and are conducting preclinical PK studies. We plan to initiate a Phase 1 clinical trial in healthy volunteers in 2022. We have worldwide commercial rights to RT-109. We have entered into an Evaluation and First Right of Refusal Agreement with Changchun High & New Technology Industries, or CCHN, which includes limited rights to negotiate commercialization rights for RT-109 in China.

RT-110: Parathyroid hormone for the treatment of hypoparathyroidism

We are developing RT-110 for oral administration of a novel formulation of PTH for the treatment of hypoparathyroidism. PTH is approved by the FDA for the treatment of hypoparathyroidism, a rare condition that affects approximately 115,000 people in the United States; however, treatment requires painful daily injections and we believe there is an unmet need for a more convenient delivery method. We believe that RT-110, through providing the convenience of oral administration, may be able to meet this need.

We plan to initiate preclinical PK studies once our PTH formulation has been optimized. We have worldwide commercial rights to RT-110.

RT-103: GLP-1 mimetic for the treatment of Type 2 diabetes

We are developing RT-103 for oral administration of a GLP-1 mimetic for the treatment of Type 2 diabetes. We believe that RT-103 would be appealing to patients that currently use injectable versions of GLP-1 mimetics, and plan to pursue opportunities with large pharmaceutical companies to co-develop and commercialize RT-103.

RT-106: Basal insulin for the treatment of Type 2 diabetes

We are developing RT-106 for oral administration of basal insulin for the treatment of Type 2 diabetes. We believe that RT-106 would have significant benefit to the millions of people living with Type 2 diabetes. We intend to pursue partnership opportunities with large pharmaceutical companies to co-develop and commercialize RT-106.

Our Solution: The RaniPill Capsule

A Summary Description of the RaniPill Capsule

The RaniPill capsule is a versatile, orally ingestible pill for the administration of a broad range of biologics. Unlike chemistry-based approaches to the oral delivery of biologics, the RaniPill capsule is designed to autonomously inject biologics from the capsule into the intestinal wall.

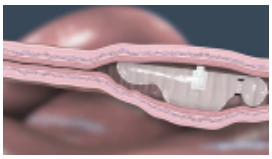
The RaniPill capsule (purple) next to fish oil pills (yellow) and calcium pills (white).
Image does not depict actual size of capsule or pills.

How the RaniPill Capsule Works

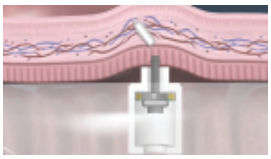
The RaniPill capsule is covered with a protective coating, which resists dissolution in the acidic environment of the stomach. Once the capsule enters the small intestine, dissolution of the protective coating leads to a series of steps that result in delivery of the biologic into the intestinal wall. These steps are illustrated in the figures below.

Cross Section of Intestinal Wall Illustrating Deployment of the RaniPill Capsule

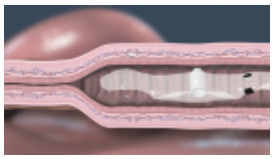
A: RaniPill capsule with protective coating in intestine.



B: Outer shell dissolves and the balloon starts to inflate as the reaction begins.



C: Pressure in the balloon pushes the dissolving microneedle into the intestinal wall.



D: Balloon deflates and is the only remnant that passes through, with the rest of the RaniPill absorbed or dissolved in its current version.

Panel A: As the RaniPill capsule exits the stomach and enters the small intestine, the higher pH environment of the small intestine causes the dissolution of the protective coating.

Panel B: After sustained exposure at a pH of around 6.5, the capsule dissolves, exposing a self-inflating balloon that is separated into two compartments. Reactants in the two compartments are separated by a pinch-valve, which dissolves upon exposure to intestinal fluids. The reactants mix upon dissolution of the pinch-valve to produce carbon dioxide, which inflates the balloon.

Panel C: Inflation of the balloon orients a microneedle contained within the balloon perpendicular to the intestinal wall. The pressure in the balloon injects the microneedle, which is smaller than a grain of rice, into the intestinal wall. In the moist tissue environment, the microneedle dissolves and the drug is rapidly absorbed into the bloodstream.

Panel D: The balloon immediately deflates upon microneedle delivery and is excreted through normal digestive processes.

Our Strategy

Our strategic vision is to disrupt and expand the approximately $269.0 billion injectable biologics therapeutics industry by developing and advancing oral biologics therapies. We are committed to delivering oral biologic solutions for patients living with burdensome chronic diseases. We believe that the RaniPill capsule will improve the lives of millions of patients with chronic diseases who currently depend on biologics available only as injections.

The key elements of our strategy include:

- **Pursue validated and commercially established market opportunities**. We intend to pursue high-value markets with biologics that are already approved where we can develop our own differentiated products. We believe that these products will take market share from available

therapies, while also expanding existing markets by reaching new patient populations that otherwise are not being treated by injectable biologics. We have designed our platform to be drug-agnostic, which could enable us to expand into additional markets beyond our current pipeline.

- **Establish the RaniPill capsule as a platform technology with regulatory authorities**. Initially, we plan to demonstrate the safety and tolerability of the RaniPill capsule through clinical studies, independent of any drug or biologic. Data from these studies will be used to support subsequent product applications.

- **Expand in-house manufacturing of the RaniPill capsule**. We have vertically integrated our manufacturing, and plan to continue to scale and optimize our manufacturing processes by expanding our use of automation. In addition, we are filing patents to protect our novel manufacturing processes.

- **Invest in RaniPill platform capabilities**. We intend to become a leader in oral biologics by continuing to invest in our technology, by expanding payload capacity and developing novel biologic formulations in order to maximize the number of therapeutic targets and addressable markets.

- **Expand our reach by selectively entering into strategic partnerships**. We are opportunistically exploring strategic partnerships to enable us to expand our commercial reach and enable oral administration of a broader array of biologics.

- **Continue to strengthen our intellectual property portfolio**. Our patent portfolio has helped establish us as a leading oral biologics company. We plan to continue to innovate and expand our intellectual property by developing novel formulations and new applications of the RaniPill capsule.

Clinical Development and Regulatory Pathway of the RaniPill Capsule

Based on the guidance we have received from CDRH and OCP, we will study the initial safety and tolerability of the RaniPill capsule in an IDE study, in an effort to enable a more standard regulatory pathway for our pipeline of product candidates.

While CBER and CDER may ask for additional testing for a specific biotherapeutic or disease, our initial goal is to evaluate the safety of the RaniPill capsule independent of any drug. In a pre-submission meeting with CDRH and OCP and representatives from CDER, we reached agreement on the initial requirements for establishing safety and tolerability of the RaniPill capsule for further clinical evaluation. Preclinical studies and clinical trials will be conducted with the RaniPill capsule containing an inert tracer in place of a drug, to determine the reliability of delivery and the initial safety of the platform. In support of the IDE study, we will first conduct a repeat-dose GLP study in canines to assess the safety and tolerability of the RaniPill capsule. We would then conduct the IDE study to evaluate the safety and tolerability of the RaniPill capsule in an eight-week healthy volunteer study (n=40) with daily administration of the RaniPill capsule. The study will also evaluate the effect of food on the delivery performance of the RaniPill capsule. After completion of the IDE study, we plan to create a Master File for the RaniPill capsule with CDRH. The information in the RaniPill Master File will be applicable to any biologic and would be incorporated by reference in subsequent applications to CDER or CBER for our future product candidates.

Our current pipeline consists of well-characterized biologics that have been in clinical use for several years. The degree to which we may be able to reduce the burden on our own development will depend on whether the API is the same as the original approved product, particularly for products originally approved as NDAs and now deemed to be biologics. We intend to have this clarified on a product-by-product basis in pre-IND meetings with the FDA.

Our Team

We are led by an experienced management team with substantial scientific, formulation and drug development expertise in a number of therapeutic areas including immunology, gastroenterology, cardiology, metabolic diseases and oncology. The development and manufacturing of the RaniPill capsule is led by a highly experienced team with deep expertise in engineering, material science, anatomy, physiology, manufacturing and automation. Our management team members have held successful and diverse roles leading research, clinical development, product development, strategy, corporate development and operational functions at companies such as GlaxoSmithKline plc., Gilead Sciences, Inc., VIVUS Inc., Edwards Lifesciences Corp., Danaher Corp., Affymetrix, Inc. and Elan Corporation plc. Members of our leadership team have been involved in the discovery, development and commercialization of multiple marketed products across various therapeutic areas, including Tykerb, Romozin, Avodart, Zyban, Ranexa and Lexiscan. We were founded by Mir Imran, our Executive Chairman and former President and Chief Executive Officer. With background in medicine and engineering, Mir Imran began his career as a healthcare entrepreneur in the late 1970s and has founded more than 20 life sciences companies since, more than half of which have been acquired. Mir Imran's passion is creating novel technologies that have the potential to positively impact the lives of millions of patients, and he has become one of the leading inventors and entrepreneurs in the field. Mir Imran is perhaps most well-known for his pioneering contributions to the first FDA-approved automatic implantable cardioverter defibrillator. Our Chief Scientific Officer, Mir Hashim, a veteran of the pharma industry, has a Ph.D. in medicine and pharmacology and led research and development teams at GSK from 1990 to 2008. Our leadership is complemented by a team of biologists, engineers, manufacturing and automation experts, many with post-graduate degrees.

Summary of the Organizational Transactions

Rani Holdings was incorporated as a Delaware corporation on April 6, 2021 and is the issuer of the Class A common stock being offered in this offering. This offering is being conducted through what is commonly referred to as an "Up-C" structure, which is often used by partnerships and limited liability companies when they decide to undertake an initial public offering. To implement the Up-C structure, we will effect certain organizational changes, which we refer to collectively as the Organizational Transactions. Unless otherwise stated or the context otherwise requires, all information in this prospectus reflects the completion of these Organizational Transactions.

Key terms of the Up-C Structure are:

- The Up-C structure will allow the Continuing LLC Owners to retain their equity ownership in Rani LLC and to continue to realize tax benefits associated with owning interests in an entity that is treated as a partnership, or "passthrough" entity, for U.S. federal income tax purposes following the completion of the offering.

- Investors in this offering will, by contrast, hold their equity ownership in Rani Holdings, a Delaware corporation that is a domestic corporation for U.S. federal income tax purposes, in the form of shares of Class A common stock.

- The Former LLC Owners will hold their equity ownership in Rani Holdings in the form of shares of Class A common stock.

- The Continuing LLC Owners will hold LLC Interests, and certain of the Continuing LLC Owners will also hold noneconomic voting equity interests in the form of Class B common stock in Rani Holdings. One of the tax benefits to the Continuing LLC Owners associated with this structure is that future taxable income of Rani LLC that is allocated to the Continuing LLC Owners will be taxed on a flow-through basis and therefore will not be subject to corporate taxes at the entity level. Additionally, the

Continuing LLC Owners may redeem or exchange their LLC Interests for shares of our Class A common stock on a one-for-one basis or, at our option, for cash. The Up-C structure also provides the Continuing LLC Owners with potential liquidity that holders of non-publicly traded limited liability companies are not typically afforded. If we ever generate sufficient taxable income to utilize the tax benefits, Rani Holdings expects to benefit from the Up-C structure because, in general, we expect cash tax savings in amounts equal to 15% of certain tax benefits arising from such redemptions or exchanges of the Continuing Owners' LLC Interests for Class A common stock or cash and certain other tax benefits covered by the Tax Receivable Agreement discussed in the section titled "Certain Relationships and Related Person Transactions—Tax Receivable Agreement." See the section titled "Risk Factors—Risks Related to Our Organizational Structure."

In connection with the closing of this offering, we will consummate the following organizational transactions:

- we will amend and restate the limited liability company agreement of Rani LLC, or the Rani LLC Agreement, to, among other things, appoint Rani Holdings as the sole managing member of Rani LLC and effectuate a recapitalization of all outstanding (i) convertible preferred, automatic or net exercised warrants to purchase preferred and common units, and common units of Rani LLC into a single class of economic nonvoting Class A units and an equal number of voting noneconomic Class B units of Rani LLC and (ii) Profits Interests into a single class of economic nonvoting Class A units of Rani LLC. We will otherwise operate as a holding company. Rani Holdings will include Rani LLC in its consolidated financial statements;

- we will amend and restate Rani Holdings' certificate of incorporation to, among other things, provide for Class A common stock, each share of which entitles its holders to one vote per share, and Class B common stock, each share of which entitles its holders to 10 votes per share on all matters presented to Rani Holdings' stockholders, and Class C common stock, will have no voting rights, except as otherwise required by law;

- generally, we expect the majority of Profits Interests, other than those held by directors, officers and vice president-level executives, will be exchanged for Class A common stock of Rani Holdings on a one-for-one basis at the election of the holder;

- we expect to award stock options to purchase an aggregate of shares of Class A common stock with an exercise price set at the initial public offering price pursuant to the 2021 Plan and add vesting restriction agreements to shares of Class A common stock held by certain employees;

- generally, the Former LLC Owners will exchange their LLC Interests for shares of Class A common stock, representing (i) approximately % of the combined voting power of all of Rani Holdings' common stock (or approximately %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock) and (ii) approximately % of the economic interest in the business of Rani LLC and its subsidiary (or approximately %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock), indirectly through Rani Holdings' ownership of LLC Interests;

- the Continuing LLC Owners will continue to own the LLC Interests they receive in exchange for their outstanding common units in Rani LLC, representing approximately % of the economic interest in the business of Rani LLC and its subsidiary (or approximately %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock), and Continuing LLC Owners

who received voting noneconomic Class B units in the recapitalization will contribute those Class B units to Rani Holdings in exchange for a corresponding number of shares of Class B common stock, each share of which entitles its holder to 10 votes per share;

- the LLC Interests, following the completion of this offering, will be redeemable, at the Continuing LLC Owners' election, for newly issued shares of Class A common stock on a one-for-one basis (subject to customary adjustments, including for stock splits, stock dividends and reclassifications) in accordance with the terms of the Rani LLC Agreement; provided that, at Rani Holdings' election, Rani Holdings may effect a direct exchange of such Class A common stock or make a cash payment equal to a volume weighted average market price of one share of Class A common stock for each LLC Interest redeemed in accordance with the terms of the Rani LLC Agreement. Shares of Class B common stock will be cancelled on a one-for-one basis if we, at the election of the Continuing LLC Owners that hold Class B common stock, redeem or exchange such holders' LLC Interests pursuant to the terms of the Rani LLC Agreement;

- Rani Holdings will enter into (i) the Tax Receivable Agreement with certain of the Continuing LLC Owners, and (ii) a registration rights agreement, or the Registration Rights Agreement, with certain of the Continuing LLC Owners;

- Rani Holdings will issue shares of Class A common stock to the purchasers in this offering (or shares of our Class A common stock if the underwriters exercise in full their option to purchase additional shares of Class A common stock);

- Rani Holdings will use all of the net proceeds from this offering (including any net proceeds received upon exercise of the underwriters' option to purchase additional shares of Class A common stock) to acquire newly issued LLC Interests from Rani LLC at a purchase price per interest equal to the initial public offering price per share of Class A common stock, less underwriting discounts and commissions, collectively representing % of Rani LLC's outstanding LLC Interests (or %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock); and

- Rani LLC will use the proceeds from the sale of LLC Interests to Rani Holdings as described in the section titled "Use of Proceeds."

Upon the completion of this offering, the purchasers in this offering (i) will own shares of Class A common stock, representing approximately % of the combined voting power of all of Rani Holdings' common stock (or shares of Class A common stock representing approximately %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock), (ii) will own % of the economic interest in Rani Holdings (or %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock) and (iii) through Rani Holdings' ownership of LLC Interests, indirectly will hold (applying the percentages in the preceding clause (ii) to Rani Holdings' percentage economic interest in Rani LLC) approximately % of the economic interest in Rani LLC (or % if the underwriters exercise in full their option to purchase additional shares of Class A common stock).

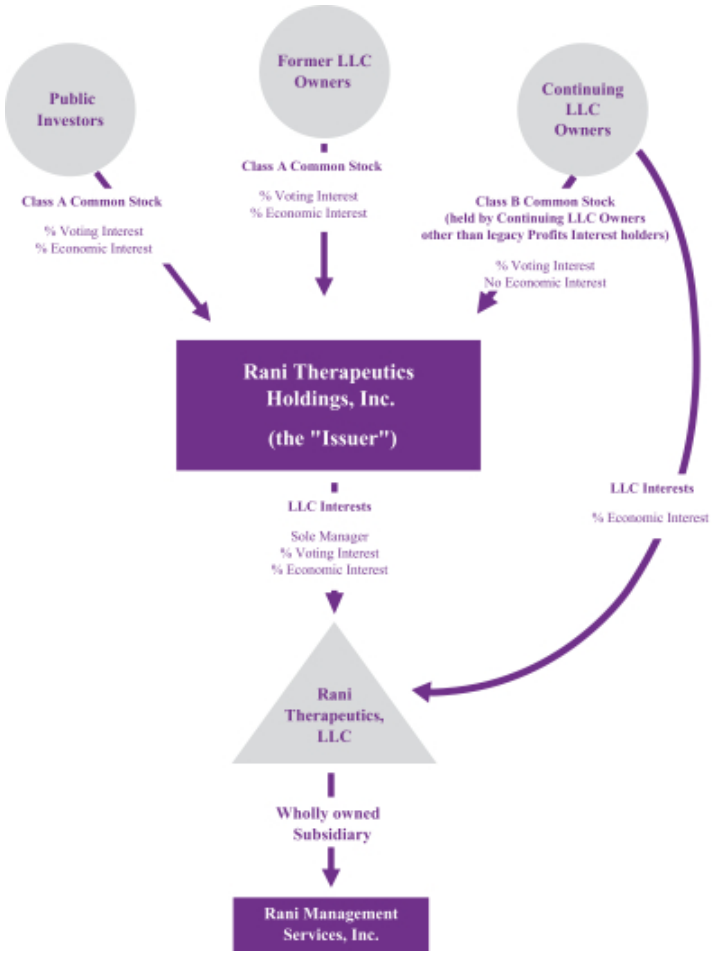
We refer to the foregoing Organizational Transactions collectively as the "Organizational Transactions." For more information regarding our structure after the completion of the Organizational Transactions, including this offering, see the section titled "Organizational Transactions."

Immediately following the completion of this offering, Rani Holdings will be a holding company and its principal asset will be our interests in Rani LLC and acquires from the Former LLC Owners. As the sole managing member of Rani LLC, Rani Holdings will operate and control all of the business and affairs of Rani LLC and, through Rani LLC and its subsidiary, conduct our business. Accordingly, Rani Holdings will have the

sole voting interest in, and control the management of, Rani LLC. As a result, we will consolidate Rani LLC in our consolidated financial statements and will report a non-controlling interest related to the LLC Interests held by the Continuing LLC Owners on our consolidated financial statements.

See the section titled "Description of Capital Stock" for more information about our amended and restated certificate of incorporation and the terms of the Class A common stock, Class B common stock and Class C common stock. See the section titled "Certain Relationships and Related Person Transactions" for more information about (i) the Rani LLC Agreement, including the terms of the LLC Interests and the redemption right of the Continuing LLC Owners; (ii) the Tax Receivable Agreement; and (iii) the Registration Rights Agreement. See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Source of Liquidity" for more information about expected payments under the Tax Receivable Agreement.

The diagram below depicts our organizational structure after giving effect to the Organizational Transactions, including this offering, assuming no exercise by the underwriters of their option to purchase additional shares of Class A common stock.



Risks Associated with Our Business

There are a number of risks related to our business, this offering and our Class A common stock that you should consider before you decide to participate in this offering. You should carefully consider all the information presented in the section entitled "Risk Factors" in this prospectus. Some of the principal risks related to our business include the following:

- We have a very limited operating history, have incurred operating losses since our inception and expect to incur significant losses for the foreseeable future. We may never generate any revenue or become profitable or, if we achieve profitability, we may not be able to sustain it.
- We are an early clinical stage biopharmaceutical company with no approved products and no historical product revenue, which makes it difficult to assess our future prospects and financial results.
- We will require substantial additional financing to achieve our goals, and a failure to obtain this necessary capital when needed on acceptable terms, or at all, could force us to delay, limit, reduce or terminate our product development programs, commercialization efforts or other operations.
- We are early in our development efforts and have only one product candidate, RT-101, in early clinical development. All of our other product candidates are still in preclinical development. If we are unable to advance our product candidates through clinical development, obtain regulatory approval and ultimately commercialize our product candidates, or experience significant delays in doing so, our business will be materially harmed.
- Clinical development is a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results. Clinical failure can occur at any stage of clinical development. Further, we have never conducted a Phase 2 or Phase 3 clinical trial or submitted an application for marketing authorization.
- As an organization, we recently completed our first Phase 1 clinical trial, have not submitted an IND to the FDA and we have never conducted later-stage clinical trials or submitted a BLA, and may be unable to do so for any of our product candidates. In addition, one of our clinical trials was conducted outside the United States, and the FDA and comparable foreign regulatory authorities may not accept data from such a trial, in which case we may need to conduct additional clinical trials, which could be costly and time-consuming, and which may result in current or future product candidates that we may develop not receiving approval for commercialization in the applicable jurisdiction. The acceptance of study data from clinical trials conducted outside the United States or another jurisdiction by the FDA or comparable foreign regulatory authority may be subject to certain conditions or may not be accepted at all.
- Because we have multiple product candidates in our clinical pipeline and are considering a variety of target indications, we may expend our limited resources to pursue a particular product candidate and fail to capitalize on product candidates or indications that may be more profitable or for which there is a greater likelihood of success.
- Product candidates comprising a biologic within the RaniPill capsule employ novel technologies that have not yet been approved by the FDA or comparable foreign regulatory authorities, and we anticipate that our applications will have to be submitted as original, standalone BLAs. These regulatory authorities have limited experience in evaluating our technologies and product candidates. Our novel technologies also make it difficult to predict the time and cost of product candidate development.

- We have limited clinical data on our product candidates to indicate whether they are safe or effective for long-term use in humans.
- We have conducted and may in the future conduct clinical trials for current or future product candidates outside the United States, and the FDA and comparable foreign regulatory authorities may not accept data from such trials.
- The COVID-19 pandemic could adversely impact our business including our ongoing and planned preclinical studies and clinical trials.
- We face significant competition from other biotherapeutics and pharmaceutical companies, and our operating results will suffer if we fail to compete effectively.
- Our future success depends on our ability to retain our executive officers and to attract, retain and motivate highly qualified personnel. If we are not successful in attracting and retaining highly qualified personnel, we may not be able to successfully implement our business strategy.
- Our commercial success may depend in part on our ability to build and maintain our intellectual property portfolio.
- We will be a holding company following the completion of this offering. Our principal asset after the completion of this offering will be our interest in Rani LLC, and, accordingly, we will depend on distributions from Rani LLC to pay our taxes, expenses (including payments under the Tax Receivable Agreement) and dividends. Rani LLC's ability to make such distributions may be subject to various limitations and restrictions.
- Rani LLC may make distributions of cash to us substantially in excess of the amounts we use to make distributions to our stockholders and pay our expenses (including our taxes and payments under the Tax Receivable Agreement). To the extent we do not distribute such excess cash as dividends on our Class A common stock, the Continuing LLC Owners would benefit from any value attributable to such cash as a result of their ownership of Class A common stock upon an exchange or redemption of their LLC Interests.
- The multi-class structure of our common stock has the effect of concentrating voting control with those stockholders who held our voting units prior to the completion of this offering, including our executive officers, employees and directors and their affiliates, which will limit your ability to influence the outcome of important transactions, including a change in control.
- Our principal stockholders and management own a significant percentage of our stock after this offering and will be able to exert significant control over matters subject to stockholder approval.

These and other risks are more fully described in the section titled "Risk Factors" in this prospectus. If any of these risks actually occurs, our business, financial condition, results of operations, cash flows and prospects could be materially and adversely affected. As a result, you could lose all or part of your investment in our Class A common stock.

Our Capital Structure

Upon the completion of this offering, we will have three classes of common stock. Our Class A common stock, which is the stock we are offering by means of this prospectus, will have one vote per share, our Class B common stock will have 10 votes per share, and our Class C common stock will have no voting rights, except as otherwise required by law.

Upon the completion of this offering, all shares of Class B common stock will be held by certain Continuing LLC Owners. Accordingly, upon completion of this offering, assuming an offering size as set forth above and an initial public offering price of $ per share (the midpoint of the price range listed on the cover page of this prospectus), the shares beneficially owned by the Continuing LLC Owners will represent % of the total voting power of our outstanding capital stock. The Continuing LLC Owners will be able to determine or significantly influence any action requiring the approval of our stockholders, including the election of our board of directors, the adoption of amendments to our certificate of incorporation and bylaws, and the approval of any merger, consolidation, sale of all or substantially all of our assets, or other major corporate transaction.

Shares of our Class C common stock, which entitle the holder to zero votes per share, will not be issued and outstanding at the closing of the offering and we have no current plans to issue shares of Class C common stock. These shares will be available to be used in the future to further strategic initiatives, such as financings or acquisitions, or issue future equity awards to our service providers. Because the shares of Class C common stock have no voting rights (except as otherwise required by law), the issuance of such shares will not result in further dilution to the voting power held by the Continuing LLC Owners.

The multi-class structure of our common stock is intended to ensure that, for the foreseeable future, the Continuing LLC Owners continue to control or significantly influence our governance which we believe will permit us to continue to prioritize our long-term goals rather than short-term results, to enhance the likelihood of stability in the composition of our board of directors and its policies, and to discourage certain types of transactions that may involve an actual or threatened acquisition of us.

General Corporate Information

Our office is located at 2051 Ringwood Avenue, San Jose, California 95131. Our telephone number is 408-457-3700. Our website address is https://www.ranitherapeutics.com. Information contained on, or that can be accessed through, our website is not incorporated by reference into this prospectus and should not be considered to be part of this prospectus. We are a holding company and all of our business operations are conducted through, and substantially all of our assets are held by, our direct and indirect subsidiaries.

We use Rani, Rani Therapeutics, RaniPill, the Rani Therapeutics logo, the R logo and other marks as trademarks in the United States and other countries. This prospectus contains references to our trademarks and service marks and to those belonging to other entities. Solely for convenience, trademarks and trade names referred to in this prospectus, including logos, artwork, and other visual displays, may appear without the ® or TM symbols, but such references are not intended to indicate in any way that we will not assert, to the fullest extent under applicable law, our rights, or the rights of the applicable licensor to these trademarks and trade names. We do not intend our use or display of other entities' trade names, trademarks, or service marks to imply a relationship with, or endorsement or sponsorship of us by, any other entity.

Implications of Being an Emerging Growth Company

We are an "emerging growth company" as defined in the JOBS Act. We will remain an emerging growth company until the earliest to occur of: the last day of the fiscal year in which we have more than $1.07 billion in annual revenue; the date we qualify as a "large accelerated filer," with at least $700.0 million of equity securities held by non-affiliates; the issuance, in any three-year period, by us of more than $1.0 billion in non-convertible debt securities; and the last day of the fiscal year ending after the fifth anniversary of this offering.

As a result of this status, we elected to take advantage of reduced reporting requirements in the registration statement of which this prospectus forms a part and may elect to take advantage of other reduced reporting requirements in our future filings with the SEC. In particular, in this prospectus, we have provided only

two years of audited consolidated financial statements and have not included all of the executive compensation-related information that would be required if we were not an emerging growth company. In addition, the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards, delaying the adoption of these accounting standards until they would apply to private companies. We have elected to use this extended transition period to enable us to comply with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our financial statements may not be comparable to companies that comply with the new or revised accounting standards as of public company effective dates.

The Offering	
Issuer	Rani Therapeutics Holdings, Inc.
Class A common stock offered by us	shares.
Underwriters' option to purchase additional shares of Class A common stock	The underwriters have a 30-day option to purchase up to additional shares of Class A common stock from us as described under the heading "Underwriting."
Class A common stock to be issued to Former LLC Owners	shares.
Class A common stock to be outstanding immediately after this offering	shares (or shares if the underwriters exercise in full their option to purchase additional shares of Class A common stock).
Class B common stock to be outstanding immediately after this offering	shares, all of which will be owned by the Continuing LLC Owners.
Class C common stock to be outstanding immediately after this offering	None.
Voting Rights	Holders of our Class A common stock and Class B common stock will vote together as a single class on all matters presented to stockholders for their vote or approval, except as otherwise required by law. Each share of Class A common stock will entitle its holder to one vote per share, and each share of Class B common stock will entitle its holder to 10 votes per share on all such matters. Holders of our Class C common stock will have no voting rights, except as otherwise required by law. See the section titled "Description of Capital Stock."
Voting power held by purchasers in this offering	% (or % if the underwriters exercise in full their option to purchase additional shares of Class A common stock).
Voting power held by the Former LLC Owners	% (or % if the underwriters exercise in full their option to purchase additional shares of Class A common stock).
Voting power held by all holders of Class A common stock after giving effect to this offering	% (or % if the underwriters exercise in full their option to purchase additional shares of Class A common stock).

Voting power held by all holders of Class B common stock after giving effect to this offering	% (or % if the underwriters exercise in full their option to purchase additional shares of Class A common stock).
Voting power held by all holders of Class C common stock after giving effect to this offering	None.
Ratio of shares of Class A common stock to LLC Interests	Our amended and restated certificate of incorporation and the Rani LLC Agreement will require that we at all times maintain a ratio of one LLC Interest owned by us for each outstanding share of Class A common stock (subject to certain exceptions for treasury shares and shares underlying certain convertible or exchangeable securities) and Rani LLC at all times maintain a one-to-one ratio between the number of shares of Class A common stock issued by us and the number of LLC Interests owned by us, as well as a one-to-one ratio between the number of shares of Class B common stock owned by certain of the Continuing LLC Owners and the number of LLC Interests owned by certain of the Continuing LLC Owners.
Directed Share Program	At our request, the underwriters have reserved up to 5.0% of the shares of our Class A common stock offered by this prospectus, excluding the additional shares that the underwriters have a 30-day option to purchase, for sale, at the initial public offering price, to certain of our directors and officers and certain other parties related to us. Shares of purchased by our directors and officers will be subject to the 180-day lock-up restriction described in the "Underwriting" section of this prospectus. The number of shares of Class A common stock available for sale to the general public will be reduced to the extent these individuals purchase such reserved shares. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered by this prospectus.
Use of proceeds	We estimate that the net proceeds to us from this offering, after deducting underwriting discounts and commissions and estimated offering expenses, will be approximately $ million (or approximately $ million if the underwriters exercise in full their option to purchase additional shares of Class A common stock), assuming an initial public offering price of $ per share. We intend to use the net proceeds that we receive from this offering (including any net proceeds from the underwriters' exercise of their option to purchase additional shares of Class A common stock) to purchase newly issued LLC Interests (or LLC Interests if the underwriters exercise in full their option to purchase additional shares of Class A common stock) directly from Rani LLC at a purchase price per interest equal to the initial public offering price per share of Class A common stock, less underwriting discounts and commissions.

We intend to cause Rani LLC to use such proceeds (together with any additional proceeds it may receive if the underwriters exercise their option to purchase additional shares of Class A common stock), after deducting estimated offering expenses, together with our existing cash and cash equivalents to advance our internal pipeline, to advance manufacturing scale-up and automation, to repay the outstanding $1.3 million PPP Loan with Comerica Bank, to advance research and development programs, and for working capital and other general corporate purposes. See the section titled "Use of Proceeds" for additional information.

Redemption rights of holders of LLC Interests	The Continuing LLC Owners, from time to time following the completion of this offering, may (subject to the terms of the Rani LLC Agreement) require Rani LLC to redeem all or a portion of their LLC Interests for newly issued shares of Class A common stock on a one-for-one basis (subject to customary adjustments, including for stock splits, stock dividends and reclassifications) in accordance with the terms of the Rani LLC Agreement; provided that, at Rani Holdings' election, it may effect a direct exchange of such Class A common stock or make a cash payment equal to a volume weighted average market price of one share of Class A common stock for each LLC Interest redeemed. See the section titled "Certain Relationships and Related Person Transactions—Rani LLC Agreement." Shares of our Class B common stock will be cancelled on a one-for-one basis, if applicable, if we, at the election of the Continuing LLC Owners, redeem or exchange our LLC Interests pursuant to the terms of the Rani LLC Agreement.
Registration Rights Agreement	Pursuant to the Registration Rights Agreement, we will, subject to the terms and conditions thereof, agree to register the resale of the shares of our Class A common stock that are issuable to the Continuing LLC Owners upon redemption or exchange of their LLC Interests and the shares of our Class A common stock that are issued to the Former LLC Owners in connection with the Organizational Transactions. See the section titled "Certain Relationships and Related Person Transactions—Registration Rights Agreement."
Controlled company	Following the completion of this offering we will be a "controlled company" within the meaning of the corporate governance rules of Nasdaq. See the section titled "Management —Controlled Company Status."
Dividend policy	We do not anticipate declaring or paying any cash dividends on our Class A common stock for the foreseeable future. See the section titled "Dividend Policy."
Tax Receivable Agreement	We will enter into the Tax Receivable Agreement with Rani LLC and certain of the Continuing LLC Owners that will provide for the payment by us to certain of the Continuing LLC Owners of 85% of the

	amount of tax benefits, if any, that we are deemed to realize (calculated using certain assumptions) as a result of (i) increases in the tax basis of assets of Rani LLC resulting from (a) any future redemptions or exchanges of LLC Interests described above under " — The Offering—Redemption rights of holders of LLC Interests", and (b) payments under the Tax Receivable Agreement and (ii) certain other tax benefits arising from payments under the Tax Receivable Agreement. Actual tax benefits realized by Rani Holdings may differ from tax benefits calculated under the Tax Receivable Agreement as a result of the use of certain assumptions in the Tax Receivable Agreement, including the use of an assumed weighted-average state and local income tax rate to calculate tax benefits. This payment obligation is an obligation of Rani Holdings, but not of Rani LLC. See the section titled "Certain Relationships and Related Person Transactions—Tax Receivable Agreement."
Risk factors	Investing in our Class A common stock involves a high degree of risk. See the section titled "Risk Factors" elsewhere in this prospectus for a discussion of factors you should carefully consider before deciding to invest in our Class A common stock.
Nasdaq Global Market trading symbol	"RANI"

The number of shares of Class A common stock to be outstanding after this offering is based on the units of Rani LLC outstanding as of March 31, 2021, and excludes:

- shares of Class A common stock reserved as of the closing date of this offering for future issuance upon redemption or exchange of LLC Interests by the Continuing LLC Owners;
- shares of Class A common stock issuable upon exchange of outstanding LLC Interests by Former LLC Owners;
- shares of Class A common stock issuable upon the conversion of our loan and security agreement with Avenue Venture Opportunities Fund, L.P., or Avenue, which is convertible at Avenue's election in connection with this offering (based on an assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus);
- shares of Class A common stock, plus future increases, reserved for issuance under the 2021 Employee Stock Purchase Plan, or the ESPP, which will become effective upon the execution of the underwriting agreement for this offering;
- shares of Class A common stock reserved for future issuance under the 2021 Equity Incentive Plan, or our 2021 Plan, which will become effective upon the execution of the underwriting agreement for this offering; and
- 2,292,309 Class A units issuable upon the exercise of options granted by Rani LLC to certain of our employees, executive officers and directors under our 2016 Equity Incentive Plan, at an exercise

price of $4.99 per unit, which options will be automatically exchanged for stock options exercisable into Class A common stock of Rani Holdings.

Unless otherwise indicated, this prospectus assumes or gives effect to:

- no conversion of the loan and security agreement described above;
- the completion of the Organizational Transactions as described in the section titled "Organizational Transactions;"
- no exercise by the underwriters of their option to purchase additional shares of Class A common stock;
- shares of Class A common stock issuable upon the automatic conversion or net exercise of warrants to purchase common and preferred units outstanding as of March 31, 2021, assuming an initial public offering price of $ per share (the midpoint of the price range listed on the cover page of this prospectus);
- the shares of Class A common stock are offered at $ per share (the midpoint of the price range listed on the cover page of this prospectus); and
- the filing and effectiveness of our amended and restated certificate of incorporation immediately prior to the closing of this offering and the adoption of our amended and restated bylaws immediately prior to the closing of this offering.

Notwithstanding the foregoing, to the extent there is an increase in the assumed initial public offering price, the number of Class A shares outstanding and Class A shares issuable upon redemption of LLC Interests would decrease from the amounts noted herein; to the extent there is a decrease in the assumed initial public offering price, the number of Class A shares outstanding and Class A shares issuable upon redemption of LLC Interests would increase. However, to the extent there is an increase in the assumed initial public offering price, the number of Class A shares issuable under awards would increase from the amounts noted herein; to the extent there is a decrease in the assumed initial public offering price, the number of Class A shares issuable under awards would decrease. A $1.00 increase (decrease) in the assumed initial public offering price of $ per share would result in a net decrease (increase) of approximately in the aggregate number of shares of Class A common stock outstanding, shares of Class A common stock issuable upon redemption of LLC Interests and shares of Class A common stock issuable under stock awards. The relative magnitude of the change in shares of Class A common stock outstanding and shares of Class A common stock issuable upon redemption of LLC Interests decreases as the share price moves further away from the midpoint.

Summary Consolidated Historical and Pro Forma Financial Data

The following tables present the summary consolidated historical and pro forma financial data for Rani LLC and its subsidiary for the periods and at the dates indicated. Rani LLC is the predecessor of the issuer, Rani Holdings, for financial reporting purposes. The summary consolidated statements of operations and comprehensive loss data for the three months ended March 31, 2020 and 2021 and the summary consolidated balance sheet data as of March 31, 2021 are derived from the Rani LLC unaudited condensed consolidated financial statements included elsewhere in this prospectus. The summary consolidated statement of operations and comprehensive loss data for the years ended December 31, 2019 and 2020 and the summary consolidated balance sheet data as of December 31, 2019 and 2020 have been derived from the audited consolidated financial statements and notes of Rani LLC and its subsidiary included elsewhere in this prospectus. You should read this data together with our audited consolidated financial statements and related notes and unaudited condensed consolidated financial statements and related notes appearing elsewhere in this prospectus and the information in the sections titled "Capitalization," "Unaudited Pro Forma Condensed Consolidated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." Our historical results are not necessarily indicative of our future results and results of interim periods are not necessarily indicative of results for the entire year.

The summary unaudited pro forma condensed consolidated financial data of Rani Holdings presented below have been derived from our unaudited pro forma condensed consolidated financial statements included elsewhere in this prospectus. The summary unaudited pro forma balance sheet data as of March 31, 2021 gives effect to the Organizational Transactions as described in the section titled "Organizational Transactions," including the completion of this offering, as if all such transactions had occurred on that date and the summary unaudited pro forma statement of operations and comprehensive loss data for the year ended December 31, 2020 and three months ended March 31, 2021 gives effect to the Organizational Transactions, as if all such transactions had occurred on January 1, 2020. The unaudited pro forma financial information includes various estimates which are subject to material change and may not be indicative of what our operations or financial position would have been had this offering and related transactions taken place on the dates indicated, or that may be expected to occur in the future. See the section titled "Unaudited Pro Forma Condensed Consolidated Financial Information" for a complete description of the adjustments and assumptions underlying the summary unaudited pro forma condensed consolidated financial data.

The summary consolidated historical data of Rani Holdings have not been presented as Rani Holdings is a newly incorporated entity, has had no business transactions or activities to date and had no assets or liabilities during the periods presented in this section.

(in thousands, except share and unit amounts and per share and per unit amounts)	Historical Rani LLC Year Ended December 31, 2019	Historical Rani LLC Year Ended December 31, 2020	Historical Rani LLC Three Months Ended March 31 2020 (Unaudited)	Historical Rani LLC Three Months Ended March 31 2021 (Unaudited)	Pro Forma Rani Holdings Year Ended December 31, 2020	Pro Forma Rani Holdings Three Months Ended March 31, 2021 (Unaudited)
Consolidated Statements of Operations and Comprehensive Loss Data:						
Contract revenue	$ 979	$ 462	$ 83	$ 756	$	$
Operating expenses						
Research and development	24,579	12,044	4,060	3,347		
General and administrative	3,465	4,962	1,407	2,607		
Total operating expenses	28,044	17,006	5,467	5,954		
Loss from operations	(27,065)	(16,544)	(5,384)	(5,198)		
Other income (expense), net						
Interest income	423	63	62	47		
Interest expense and other, net	(10)	(124)	—	(188)		
Change in estimated fair value of preferred unit warrant	65	(63)	(17)	(216)		
Loss before income taxes	(26,587)	(16,668)	5,339	(5,555)		
Income tax expense	—	(35)	(11)	(43)		
Net loss and comprehensive net loss	$ (26,587)	$ (16,703)	$ (5,350)	$ (5,598)	$	$
Net loss per unit, basic and diluted	$ (0.57)	$ (0.36)	$ (0.11)	$ (0.12)		
Weighted average common units outstanding, basic and diluted	46,890,280	46,890,280	46,890,280	46,895,880		
Per Share Data [1]						
Pro forma weighted average shares of Class A common stock outstanding, basic and diluted:						
Pro forma net loss available to Class A common stock per share, basic and diluted:					$	$

(1) See the unaudited pro forma consolidated statement of operations in "Unaudited Pro Forma Condensed Consolidated Financial Information" for the description of the assumptions underlying the pro forma net loss per share calculations.

(in thousands)	Historical Rani LLC As of December 31, 2019	Historical Rani LLC As of December 31, 2020	Historical Rani LLC As of March 31, 2021 (Unaudited)	Pro Forma Rani Holdings As of March 31, 2021 (Unaudited)
Consolidated Balance Sheet Data:				
Cash and cash equivalents	$ 16,536	$ 73,058	$ 76,662	$
Working capital [1]	13,446	69,637	69,716	
Total assets	23,022	79,415	82,077	
Long-term debt, net of current portion	—	2,412	1,892	
Total liabilities	4,153	8,040	9,514	
Convertible preferred units	115,505	184,714	191,034	
Total members' (deficit)/stockholders' equity	(96,636)	(113,339)	(118,471)	

(1) Working capital is defined as current assets less current liabilities.

RISK FACTORS

Investing in our Class A common stock involves a high degree of risk. You should carefully consider the risks described below, as well as all of the other information contained in this prospectus, including our consolidated financial statements and related notes, before investing in our Class A common stock. While we believe that the risks and uncertainties described below are the material risks currently facing us, additional risks that we do not yet know of or that we currently think are immaterial may also arise and materially affect our business. If any of the following risks materialize, our business, financial condition and results of operations could be adversely affected. In that case, the trading price of our Class A common stock could decline, and you may lose some or all of your investment.

Risks Related to Our Limited Operating History, Financial Position and Capital Requirements

We have a very limited operating history, have incurred operating losses since our inception and expect to incur significant losses for the foreseeable future. We may never generate any revenue or become profitable or, if we achieve profitability, we may not be able to sustain it.

Biologics delivery is a highly speculative undertaking and involves a substantial degree of risk. We are an early clinical stage biopharmaceutical company with a very limited operating history upon which you can evaluate our business and prospects. We were formed in 2012, and to date, we have devoted the majority of our resources to research and development, manufacturing automation and scaleup, and establishing our intellectual property portfolio. RT-101, our most advanced product candidate, is in early clinical development, while our other product candidates, RT-105, RT-102, RT-109, RT-110, RT-108, RT-103, and RT-106, remain in the formulation and preclinical development. We have not yet demonstrated an ability to successfully complete pivotal clinical trials, obtain regulatory approvals, manufacture a commercial scale product, or arrange for a third party to do so on our behalf, or conduct sales and marketing activities necessary for successful product commercialization. Consequently, any predictions made about our future success or viability may not be as accurate as they could be if we had a history of successfully developing and commercializing biologics delivery products.

We have incurred significant operating losses since our formation in 2012. Our net loss for the years ended December 31, 2019 and 2020 and the three months ended March 31, 2021 was approximately $26.6 million, $16.7 million and $5.6 million, respectively. As of March 31, 2021, we had an accumulated deficit of $119.6 million. Our prior losses, combined with expected future losses, have had and will continue to have an adverse effect on our stockholders, deficit and working capital. The majority of our losses have resulted from expenses incurred in connection with research and development, manufacturing automation and scaleup, and establishing our intellectual property portfolio. All of our product candidates will require substantial additional development time and resources before we would be able to apply for or receive regulatory approvals and begin generating revenue from product sales. We expect to continue incurring significant research, development, manufacturing and other expenses related to our ongoing business operations and product development, and as a result, we expect to continue incurring losses for the foreseeable future. We also expect these losses to increase as we continue our development of, and seek regulatory approvals for, our product candidates.

We do not anticipate generating revenue from sales of products for the foreseeable future, if ever, and our product candidates are in preclinical and early stage clinical trials. If any of our product candidates fail in preclinical studies or clinical trials or do not gain regulatory approval, or even if approved, fail to achieve market acceptance, we may never become profitable. Even if we do achieve profitability, we may not be able to sustain or increase profitability on a quarterly or annual basis. Failure to become and remain profitable may adversely affect the market price of our Class A common stock and our ability to raise capital and continue operations.

If one or more of our product candidates is approved for commercial sale and we retain commercial rights, we anticipate incurring significant costs associated with manufacturing and commercializing such approved product. Therefore, even if we are able to generate revenue from the sale of any approved product, we may never become profitable.

We are an early clinical stage biopharmaceutical company with no approved products and no historical commercial product revenue, which makes it difficult to assess our future prospects and financial results.

We are an early clinical stage biopharmaceutical company with a limited operating history upon which you can evaluate our business and prospects. Biologics development, especially as it relates to biologic-device combination products, is a highly speculative undertaking and involves a substantial degree of uncertainty. Our operations to date have been limited to developing our technology and undertaking preclinical studies and early clinical trials of our product candidates, which consist of investigational biologics delivered via the RaniPill capsule. We completed a Phase 1 clinical trial of our most advanced product candidate, RT-101, in Australia, and have completed preclinical studies of RT-105, RT-102, RT-108, RT-103, and RT-106. We plan to initiate Phase 1 clinical trials of RT-102 and RT-109 in 2022 and RT-105 and RT-110 in 2023. As an early clinical stage company, we have not yet demonstrated an ability to generate revenue or successfully overcome many of the risks and uncertainties frequently encountered by companies in new and rapidly evolving fields such as biologics development and delivery. Consequently, the ability to accurately assess our future operating results or business prospects is significantly more limited than if we had a longer operating history or approved products on the market.

We expect that our financial condition and operating results will fluctuate significantly from period to period due to a variety of factors, many of which are beyond our control, including, but not limited to:

- the clinical outcomes from the continued development of our product candidates;
- occurrence of adverse events or serious adverse events in preclinical studies or clinical trials of our product candidates;
- potential side effects of our product candidates, whether caused by the biologic formulation or the RaniPill capsule, that could delay or prevent approval or cause an approved product to be taken off the market;
- our ability to obtain, as well as the timeliness of obtaining, additional funding to develop, and potentially manufacture and commercialize our product candidates;
- our ability to manufacture our product candidates to our specifications and in a timely manner to support our preclinical studies and clinical trials, and, if approved, commercialization;
- our ability to scale, optimize and expand automation of our manufacturing processes for our product candidates for the conduct of preclinical studies and clinical trials and, if approved, for successful commercialization;
- competition from existing products directed against the same biologic target or therapeutic indications of our product candidates as well as new products that may receive marketing approval;
- the timing of regulatory review and approval of our product candidates;
- market acceptance of our product candidates that receive regulatory approval, if any, including perception of the safety and efficacy of the oral delivery of biologics;
- our ability to expand our commercial reach by selectively entering into strategic partnerships on favorable terms or at all;
- our ability to establish an effective sales and marketing infrastructure directly or through collaborations with third parties;

- the ability of patients or healthcare providers to obtain coverage or sufficient reimbursement for our products;
- our ability to manufacture our product candidates in accordance with cGMP for the conduct of preclinical studies and clinical trials and, if approved, for successful commercialization;
- our ability as well as the ability of any third-party collaborators, to obtain, maintain and protect intellectual property rights covering our product candidates and technologies, and our ability to develop, manufacture and commercialize our product candidates without infringing on the intellectual property rights of others;
- our ability to add infrastructure and adequately manage our future growth; and
- our ability to attract and retain key personnel with appropriate expertise and experience to manage our business effectively.

Accordingly, the likelihood of our success must be evaluated in light of many potential challenges and variables associated with a clinical stage biopharmaceutical company, many of which are outside of our control, and past results, including operating or financial results, should not be relied on as an indication of future results.

We will require substantial additional financing to achieve our goals, and a failure to obtain this necessary capital when needed on acceptable terms, or at all, could force us to delay, limit, reduce or terminate our product development programs, commercialization efforts or other operations.

Our operations have consumed substantial amounts of cash since our inception. We conducted a Phase 1 clinical trial of RT-101 in healthy volunteers, conducted preclinical studies of RT-108 and RT-105, are in the process of conducting preclinical studies for RT-102, RT-109, RT-110, RT-108, RT-103, and RT-106, and are preparing to conduct Phase 1 clinical trials of RT-102 and RT-109, which we plan to initiate in 2022. In addition, our initial goal is to evaluate the safety of the RaniPill capsule, independent of any biologic. Developing biologic product candidates, including conducting preclinical studies and clinical trials, and developing the RaniPill platform, is expensive. We will require substantial additional future capital in order to complete the development of the RaniPill platform, expand our manufacturing capabilities, and seek regulatory approval thereof, and to complete the clinical development of our intended biologics for use within the RaniPill capsule and, if we are successful, to commercialize any of our current product candidates. If the FDA or any comparable foreign regulatory authorities, such as the EMA, require that we perform studies or trials in addition to those that we currently anticipate with respect to the development of our product candidates or any of our future product candidates, or repeat studies or trials, our expenses would further increase beyond what we currently expect, and any delay resulting from such further or repeat studies or trials could also result in the need for additional financing.

Based on our current operating plan, as of June 2021, we estimate that our existing cash and cash equivalents will be sufficient to fund our operating expenses and capital expenditure requirements through at least the next 12 months. This period could be shortened if there are any significant increases beyond our expectations in spending on development programs or more rapid progress of development programs than anticipated. Our existing capital resources, including the net proceeds from this offering, will not be sufficient to enable us to initiate any pivotal clinical trials. Accordingly, we expect that we will need to raise substantial additional funds in the future in order to complete the development of the RaniPill platform and seek regulatory approval thereof, to complete the clinical development of our intended biologics for use within the RaniPill capsule, to expand our manufacturing capabilities and to commercialize any of our product candidates.

Our funding requirements and the timing of our need for additional capital are subject to change based on a number of factors, including:

- the progress, costs, trial design, results of and timing of our preclinical studies and clinical trials;
- the progress, costs, and results of our research pipeline;
- the willingness of the FDA or other regulatory authorities to accept data from our clinical trials, as well as data from our completed and planned preclinical studies and clinical trials and other work, as the basis for review and approval of the RaniPill capsule for various indications;
- the outcome, costs, and timing of seeking and obtaining FDA, and any other regulatory approvals;
- the number and characteristics of product candidates that we pursue;
- our ability to manufacture sufficient quantities of the RaniPill capsules;
- our need to expand our research and development activities;
- the costs associated with manufacturing our product candidates, including establishing commercial supplies and sales, marketing, and distribution capabilities;
- the costs associated with securing and establishing commercial infrastructure;
- the costs of acquiring, licensing, or investing in businesses, product candidates, and technologies;
- our ability to maintain, expand, and defend the scope of our intellectual property portfolio, including the amount and timing of any payments we may be required to make, or that we may receive, in connection with the licensing, filing, prosecution, defense, and enforcement of any patents or other intellectual property rights;
- our need and ability to retain key management and hire scientific, technical, business, and engineering personnel;
- the effect of competing drugs and product candidates and other market developments;
- the timing, receipt, and amount of sales from our potential products, if approved;
- our ability to establish strategic collaborations;
- our need to implement additional internal systems and infrastructure, including financial and reporting systems;
- security breaches, data losses or other disruptions affecting our information systems;
- the economic and other terms, timing of and success of any collaboration, licensing, or other arrangements which we may enter in the future; and
- the effects of disruptions to and volatility in the credit and financial markets in the United States and worldwide from the COVID-19 pandemic.

Additional funding may not be available to us on acceptable terms, or at all. As a result of the COVID-19 pandemic and actions taken to slow its spread, the global credit and financial markets have experienced extreme volatility and disruptions, including severely diminished liquidity and credit availability,

declines in consumer confidence, declines in economic growth, increases in unemployment rates, and uncertainty about economic stability. If we are unable to obtain additional funding from equity offerings or debt financings, including on a timely basis, we may be required to:

- seek collaborators for one or more of our product candidates at an earlier stage than otherwise would be desirable or on terms that are less favorable than might otherwise be available;
- relinquish or license on unfavorable terms our rights to technologies or product candidates that we otherwise would seek to develop or commercialize ourselves; or
- significantly curtail one or more of our research or development programs or cease operations altogether.

Conducting preclinical studies and clinical trials is a time consuming, expensive and uncertain process that takes years to complete, and we may never generate the necessary data or results required to obtain regulatory approval and achieve product sales. In addition, our product candidates, if approved, may not achieve commercial success. Our commercial revenues, if any, will be derived from sales of products that we do not expect to be commercially available for many years, if at all.

Accordingly, we will need to continue to rely on additional financing to achieve our business objectives. Adequate additional financing may not be available to us on acceptable terms, or at all. In addition, we may seek additional capital due to favorable market conditions or strategic considerations, even if we believe we have sufficient funds for our current or future operating plans.

Raising additional capital may cause dilution to our existing stockholders, restrict our operations or require us to relinquish rights to our product candidates or technologies.

We may seek additional funding through a combination of equity offerings, debt financings, collaborations and/or licensing arrangements. Additional funding may not be available to us on acceptable terms, or at all. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms may include liquidation or other preferences that adversely affect your rights as a stockholder. The incurrence of indebtedness and/or the issuance of certain equity securities could result in fixed payment obligations and could also result in certain additional restrictive covenants, such as limitations on our ability to incur debt and/or issue additional equity, limitations on our ability to acquire or license intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. In addition, the issuance of additional equity securities by us, or the possibility of such issuance, may cause the market price of our Class A common stock to decline. In the event that we enter into collaborations and/or licensing arrangements in order to raise capital, we may be required to accept unfavorable terms, including relinquishing or licensing to a third party on unfavorable terms our rights to the RaniPill capsule or our product candidates that we otherwise would seek to develop or commercialize ourselves or potentially reserve for future potential arrangements when we might be able to achieve more favorable terms.

Risks Related to the Development and Regulatory Approval of Our Product Candidates

We are early in our development efforts and have only one product candidate, RT-101, in early clinical development. All of our other product candidates are still in preclinical development. If we are unable to advance our product candidates through clinical development, obtain regulatory approval and ultimately commercialize our product candidates, or experience significant delays in doing so, our business will be materially harmed.

We are in the early stages of our development efforts and have only one product candidate, RT-101, in early clinical development. Our initial goal is to evaluate the safety of the RaniPill capsule, independent of any biologic, through a clinical trial conducted under an IDE. Any delays or setback in the clinical testing of the

RaniPill capsule independent of any biologic, which we plan to undertake prior to submitting an IND for any of our candidates, could delay or prevent the clinical testing of any of our current or future product candidates. We completed a Phase 1 clinical trial of RT-101, the RaniPill capsule containing octreotide, in Australia to evaluate safety as a primary endpoint and bioavailability as a secondary endpoint. Our other product candidates, RT-105, RT-102, RT-109, RT-110, RT-108, RT-103, and RT-106, are still in the formulation and preclinical stages. We intend to initiate Phase 1 clinical trials for RT-102 and RT-109 in 2022 and RT-105 and RT-110 in 2023. We will need to progress these product candidates through IND-enabling studies and submit INDs to the FDA prior to initiating their clinical development. None of our product candidates have advanced into a pivotal study.

Our ability to generate product revenues, which we do not expect will occur for many years, if ever, will depend heavily on the successful development and eventual commercialization of our product candidates. The success of our product candidates will depend on several factors, including the following:

- successful enrollment in clinical trials and completion of preclinical studies and clinical trials with favorable results;
- acceptance of INDs by the FDA or similar regulatory filings by comparable foreign regulatory authorities for the conduct of clinical trials of our product candidates and our proposed design of future clinical trials;
- demonstrating safety and efficacy to the satisfaction of applicable regulatory authorities;
- receipt of marketing approvals from applicable regulatory authorities, including NDAs from the FDA, and maintaining such approvals;
- establishing clinical and commercial manufacturing capabilities;
- expanding automation of our manufacturing machinery and procedures;
- establishing and maintaining multiple suppliers for our critical manufacturing materials;
- establishing sales, marketing and distribution capabilities and launching commercial sales of our products, if and when approved, whether alone or in collaboration with others;
- establishing and maintaining patent and trade secret protection or regulatory exclusivity for our product candidates;
- maintaining an acceptable safety profile and shelf life of our products following approval;
- the class of drugs that are included in our product candidates continuing to represent the standard-of-care for the respective disease target and continuing to have a long-term favorable safety profile; and
- maintaining and growing an organization of people who can develop our products and technology.

The success of our business, including our ability to finance our company and generate any revenue in the future, will depend on the successful development, regulatory approval and commercialization of our product candidates, which may never occur. We have not yet succeeded and may not succeed in demonstrating efficacy and safety for any product candidates in clinical trials or in obtaining marketing approval thereafter. We may not be able to successfully deliver the biologic payload to the intestinal wall with great enough certainty to achieve adequate efficacy or safety for any of our product candidates or to the satisfaction of the FDA or other regulatory

bodies. Given our early stage of development, it may be several years, if at all, before we have demonstrated the safety and efficacy of a treatment sufficient to warrant approval for commercialization. If we are unable to develop, or obtain regulatory approval for, or, if approved, successfully commercialize our product candidates, we may not be able to generate sufficient revenue to continue our business.

The regulatory approval processes of the FDA and comparable foreign authorities are lengthy, time consuming and inherently unpredictable, and if we are ultimately unable to obtain regulatory approval for our product candidates, our business will be substantially harmed.

Our business and future profitability is substantially dependent on our ability to successfully develop, obtain regulatory approval for and then successfully commercialize the RaniPill capsule with oral versions of multiple biologics. Our approach presents a novel method of delivering biologics directly into the intestinal wall, and we are not permitted to market or promote any of our product candidates before we receive regulatory approval from the FDA or any comparable foreign regulatory authorities. The pathway for obtaining regulatory approval for our approach has not been definitively established, and we may never receive such regulatory approval for any of our product candidates. The time required to obtain approval by the FDA and comparable foreign authorities is unpredictable, typically takes many years following the commencement of clinical trials and depends upon numerous factors, including the substantial discretion of regulatory authorities. Approval policies, regulations and the types and amount of clinical and manufacturing data necessary to gain approval may change during the course of clinical development and may vary among jurisdictions. We have not obtained regulatory approval for any product candidate and it is possible that none of our existing product candidates or any product candidates we have in development or may seek to develop in the future will ever obtain regulatory approval.

Our product candidates could fail to receive regulatory approval for many reasons, including the following:

- the FDA or comparable foreign regulatory authorities may disagree with the design or implementation of our clinical trials;
- we may be unable to demonstrate to the satisfaction of the FDA or comparable foreign regulatory authorities that a product candidate is safe and effective for its proposed indication;
- the results of clinical trials may fail to achieve the level of statistical significance required by the FDA or comparable foreign regulatory authorities for approval;
- we may be unable to demonstrate that a product candidate’s clinical and other benefits outweigh its safety risks;
- the FDA or comparable foreign regulatory authorities may disagree with our interpretation of data submitted in support of regulatory approval;
- the data collected from preclinical studies and clinical trials of our product candidates may not be sufficient to support the submission of a BLA or other regulatory submissions necessary to obtain regulatory approval in the United States or elsewhere;
- we may not meet the cGMP and other applicable requirements for manufacturing processes, procedures, documentation and facilities necessary for approval by the FDA or comparable foreign regulatory authorities; and
- changes to the approval policies or regulations of the FDA or comparable foreign regulatory authorities with respect to our product candidates may result in our clinical data becoming insufficient for approval.

The lengthy regulatory approval process as well as the unpredictability of future clinical trial results may result in our failing to obtain regulatory approval to market the RaniPill capsule with our core programs and any other biologics, which would harm our business, results of operations and prospects significantly.

In addition, even if we were to obtain regulatory approval, regulatory authorities may approve our product candidates for fewer or more limited indications than what we requested approval for, may include safety warnings or other restrictions that may negatively impact the commercial viability of our product candidates, including the potential for a favorable price or reimbursement at a level that we would otherwise intend to charge for our products. Likewise, regulatory authorities may grant approval contingent on the performance of costly post-marketing clinical trials, which could significantly reduce the potential for commercial success or viability of our product candidates. Any of the foregoing possibilities could materially harm the prospects for our product candidates and business and operations.

We have not previously submitted a BLA, an MAA, or any corresponding drug approval filing to the FDA or any comparable foreign regulatory authorities for any product candidate. Further, our product candidates may not receive regulatory approval even if we complete such filing. If we do not receive regulatory approvals for our product candidates, we may not be able to continue our operations.

Clinical development is a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results. Clinical failure can occur at any stage of clinical development. Further, we have never conducted a Phase 2 or Phase 3 clinical trial or submitted an application for marketing authorization.

Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the clinical development process. The results of preclinical studies and early clinical trials of our product candidates and studies and trials of other products may not be predictive of the results of later-stage clinical trials. Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy traits despite having progressed through preclinical studies and initial clinical trials. For example, the results generated to date in preclinical studies and the Phase 1 clinical trial of RT-101 do not ensure that future Phase 2 or later clinical trials of RT-101 will have similar results or be successful. In our Phase 1 clinical trial of RT-101, we tested the RaniPill capsule in a limited number of healthy volunteers. While we have not observed any serious adverse events as a result of these preclinical studies or clinical trial, we have not widely tested the RaniPill capsule in humans and cannot be certain how the RaniPill capsule will perform when more widely tested in humans in any later clinical trials. In addition to our ongoing and planned preclinical studies and clinical trials, we expect to have to complete at least two large scale, or adequate, well-controlled trials to demonstrate substantial evidence of efficacy and safety for each product candidate we intend to commercialize. Further, given the patient populations for which we are developing biologics, we expect to have to evaluate long-term exposure to establish the safety of our biologics in a chronic dose setting. We have never conducted a Phase 2 or Phase 3 clinical trial or submitted a BLA or comparable marketing application to foreign regulatory authorities, and as a result, we have no history or track-record to rely on when entering these phases of the development cycle. Furthermore, we are currently optimizing the formulation for RT-101, to enable once daily dosing. If we are able to optimize the formulation, we plan to test and verify the formulation in appropriate animal models. Once the formulation is validated in preclinical studies, we plan to submit an IND and initiate clinical trials for the development of RT-101. The scale-up development related to this formulation could delay commencement of such clinical trials, and the revised formulation could cause RT-101 to perform differently than the original formulation and affect the results of our planned clinical trials.

Clinical trial failures may result from a multitude of factors including, but not limited to, flaws in trial design, dose and formulation selection, placebo effect, patient enrollment criteria and failure to demonstrate favorable safety and/or efficacy traits of the product candidate. A number of companies in the biopharmaceutical industry have suffered significant setbacks in advanced clinical trials due to lack of efficacy or adverse safety profiles, notwithstanding promising results in earlier trials. Based upon negative or inconclusive results, we may decide, or regulators may require us, to conduct additional preclinical studies or clinical trials.

We may experience delays in ongoing clinical trials, and we do not know whether planned clinical trials will begin on time, need to be redesigned, enroll patients on time or be completed on schedule, if at all. Clinical trials can be delayed for a variety of reasons, including delays related to:

- obtaining regulatory approvals to commence a clinical trial;
- fraud or negligence on the part of consultants or contractors;
- obtaining IRB or EC approval at each site;
- recruiting suitable patients to participate in a clinical trial;
- having patients complete a clinical trial or return for post-treatment follow-up;
- clinical sites deviating from the clinical trial's protocol or dropping out of a clinical trial;
- the impacts of the COVID-19 pandemic on our ongoing and planned preclinical studies and clinical trials;
- adding new clinical trial sites; or
- manufacturing sufficient quantities of product candidate for use in our preclinical studies and clinical trials, including product candidates manufactured in accordance with our specifications.

In addition, disruptions caused by the COVID-19 pandemic may increase the likelihood that we encounter such difficulties or delays in initiating, enrolling, conducting, or completing our ongoing and planned clinical trials. We could encounter delays if a clinical trial is modified, suspended or terminated by us, by the IRBs or ECs of the institutions in which such clinical trials are being conducted, by a Data Safety Monitoring Board for such trial or by the FDA or comparable foreign regulatory authorities. Such authorities may impose a modification, suspension or termination due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical trial protocols, inspection of the clinical trial operations or clinical trial site by the FDA or comparable foreign regulatory authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a drug, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial. If we experience delays in the completion of, or termination of, any clinical trial of our product candidates, the commercial prospects of our product candidates will be harmed and our ability to generate product revenue from any of these product candidates will be delayed. Any delays in completing our clinical trials will increase our costs, slow down our product candidate development and approval process and jeopardize our ability to commence product sales and generate revenue. Any of these occurrences may harm our business, financial condition and prospects significantly. In addition, many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of our product candidates.

In addition, data obtained from trials and studies are susceptible to varying interpretations, and regulators may not interpret our data as favorably as we do, which may delay, limit or prevent regulatory approval. Further, if patients drop out of our clinical trials, miss scheduled doses or follow-up visits, or otherwise fail to follow clinical trial protocols, whether as a result of the COVID-19 pandemic, actions taken to slow the spread of COVID-19 or otherwise, the integrity of data from our clinical trials may be compromised or not accepted by the FDA or comparable foreign regulatory authorities, which would represent a significant setback for the applicable program.

For the foregoing reasons, our ongoing and planned preclinical studies and clinical trials may not be successful. Any safety concerns observed in any one of our clinical trials in our targeted or contemplated biologic indications could limit the prospects for regulatory approval of our product candidates in those and other indications, which could have an adverse effect on our business, financial condition and results of operations.

Any difficulties or delays in the commencement or completion, or termination or suspension, of our current or planned clinical trials could result in increased costs to us, delay or limit our ability to generate revenue and adversely affect our commercial prospects.

Before obtaining marketing approval from regulatory authorities for the sale of our product candidates, we must conduct extensive clinical trials to demonstrate the safety and efficacy of our product candidates in humans. We are in the early stages of our development efforts and have only one product candidate, RT-101, in early clinical development. We completed a Phase 1 clinical trial of RT-101 to evaluate safety as a primary endpoint and bioavailability as a secondary endpoint. Our other product candidates, RT-105, RT-102, RT-109, RT-110, RT-108, RT-103, and RT-106, are still in the formulation or preclinical stages. We intend to initiate Phase 1 clinical trials for RT-102 and RT-109 in 2022 and RT-105 and RT-110 in 2023. However, we have not, to date, submitted an IND for any of our product candidates. We will be required to submit applicable equivalent regulatory filings to foreign regulatory authorities to the extent we initiate clinical trials outside of the United States.

We do not know whether our planned clinical trials will begin on time or be completed on schedule, if at all. The commencement and completion of clinical trials can be delayed for a number of reasons, including delays related to:

- the FDA or comparable foreign regulatory authorities disagreeing with the design or implementation of our clinical trials;
- obtaining regulatory authorizations to commence a trial, or reaching a consensus with regulatory authorities on trial design;
- any failure or delay in reaching an agreement with CROs and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- obtaining approval from one or more IRBs;
- IRBs refusing to approve, suspending or terminating the trial at an investigational site, precluding enrollment of additional volunteers or withdrawing their approval of the trial;
- changes to clinical trial protocol;
- clinical sites deviating from trial protocol or dropping out of a trial;
- manufacturing sufficient quantities of a product candidate or obtaining sufficient quantities of other therapies or APIs for use in clinical trials;
- volunteers failing to enroll or remain in our trial at the rate we expect, or failing to return for post-treatment follow-up;
- volunteers choosing an alternative treatment for the indication for which we are developing our product candidates, or participating in competing clinical trials;
- lack of adequate funding to continue the clinical trial;
- volunteers experiencing severe or unexpected drug-related adverse effects;
- occurrence of serious adverse events in clinical trials of the same class of agents conducted by other companies;

- selection of clinical endpoints that require prolonged periods of clinical observation or analysis of the resulting data;
- a facility manufacturing our product candidates or any of their components being ordered by the FDA or comparable foreign regulatory authorities to temporarily or permanently shut down due to violations of cGMP regulations or other applicable requirements, or infections or cross-contaminations of product candidates in the manufacturing process;
- any changes to our manufacturing process or product formulation that may be necessary or desired;
- shortages in, or delays in obtaining, raw materials for manufacturing our product candidates or adequately scaling our manufacturing processes and procedures to deliver sufficient quantities for use in our clinical trials;
- third-party clinical investigators losing the licenses or permits necessary to perform our clinical trials, not performing our clinical trials on our anticipated schedule or consistent with the clinical protocol or relevant regulatory requirements;
- third-party contractors not performing data collection or analysis in a timely or accurate manner; or
- third-party contractors becoming debarred or suspended or otherwise penalized by the FDA or other government or comparable foreign regulatory authorities for violations of regulatory requirements, in which case we may need to find a substitute contractor, and we may not be able to use some or all of the data produced by such contractors in support of our marketing applications.

We could also encounter delays if a clinical trial is suspended or terminated by us, by the IRBs of the institutions in which such trials are being conducted, by a Data Safety Monitoring Board for such trial or by the FDA or comparable foreign regulatory authorities. Such authorities may impose such a suspension or termination due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols, inspection of the clinical trial operations or trial site by the FDA or comparable foreign regulatory authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a drug, changes in governmental regulations or administrative actions or lack of adequate funding to continue the clinical trial. In addition, changes in regulatory requirements and policies may occur, and we may need to amend clinical trial protocols to comply with these changes. Amendments may require us to resubmit our clinical protocols to IRBs for reexamination, which may impact the costs, timing or successful completion of a clinical trial.

Further, conducting clinical trials in foreign countries, as we may do for our product candidates, presents additional risks that may delay completion of our clinical trials. These risks include the failure of enrolled patients in foreign countries to adhere to clinical protocol as a result of differences in healthcare services or cultural customs, managing additional administrative burdens associated with foreign regulatory schemes, as well as political and economic risks relevant to such foreign countries.

Moreover, principal investigators for our clinical trials may serve as scientific advisors or consultants to us from time to time and receive compensation in connection with such services. Under certain circumstances, we may be required to report some of these relationships to the FDA or comparable foreign regulatory authorities. The FDA or comparable foreign regulatory authorities may conclude that a financial relationship between us and a principal investigator has created a conflict of interest or otherwise affected interpretation of the study. The FDA or comparable foreign regulatory authorities may therefore question the integrity of the data generated at the applicable clinical trial site and the utility of the clinical trial itself may be jeopardized. This could result in a delay in approval, or rejection, of our marketing applications by the FDA or comparable foreign regulatory authorities, as the case may be, and may ultimately lead to the denial of marketing approval of one or more of our product candidates.

In addition, we work with third parties to manufacture, develop, and supply the biologic payloads for inclusion in the RaniPill capsule, a development process that is lengthy and expensive. Some of the active ingredients we are utilizing in our development and used by other sponsors to make biosimilars in the United States, and others are not. We and our third party manufacturers may discover, even late in the process, that a particular biologic payload does not demonstrate the necessary characteristics or is unacceptable to the FDA or other regulatory authorities, and we may be forced to abandon such manufacturing and development efforts for such compound and pursue alternative sourcing, or conduct additional, more involved development work to be able to use such compound, which could have an adverse effect on our operations.

If we experience delays in the completion of, or termination of, any clinical trial of our product candidates, the commercial prospects of our product candidates will be harmed, and our ability to generate product revenues from any of these product candidates will be delayed. Moreover, any delays in completing our clinical trials will increase our costs, slow down our product candidate development and approval process and jeopardize our ability to commence product sales and generate revenues.

In addition, many of the factors that cause, or lead to, termination or suspension of, or a delay in the commencement or completion of, clinical trials may also ultimately lead to the denial of regulatory approval of a product candidate. We may make formulation or manufacturing changes to our product candidates, in which case we may need to conduct additional preclinical studies or clinical trials to bridge our modified product candidates to earlier versions. Any delays to our clinical trials that occur as a result could shorten any period during which we may have the exclusive right to commercialize our product candidates and our competitors may be able to bring products to market before we do, and the commercial viability of our product candidates could be significantly reduced. Any of these occurrences may harm our business, financial condition and prospects significantly.

Enrollment and retention of patients in clinical trials is an expensive and time-consuming process and could be made more difficult or rendered impossible by multiple factors outside our control.

We may encounter delays in enrolling, or be unable to enroll or maintain, a sufficient number of patients to complete any of our clinical trials. Patient enrollment and retention in clinical trials is a significant factor in the timing of clinical trials and depends on many factors, including the size and nature of the patient population, the nature of the trial protocol, the existing body of safety and efficacy data with respect to the study drug, the number and nature of competing treatments and ongoing clinical trials of competing drugs for the same indication, the proximity of patients to clinical trial sites and the eligibility criteria for the clinical trial.

For example, we are developing RT-108 for the treatment of hemophilia A, a rare bleeding disorder with limited patient populations from which to draw volunteers in clinical trials. We will be required to identify and enroll a sufficient number of patients with hemophilia A for each of our ongoing and planned clinical trials of RT-108. Potential patients for RT-108 may not be adequately diagnosed or identified with the disease we are targeting or may not meet the entry criteria for our trials. For example, some patients with hemophilia A may seek liver transplants early and as a result become ineligible for our treatment. Additionally, other pharmaceutical companies targeting this same bleeding disorder are recruiting clinical trial patients from these patient populations, which may delay or make it more difficult to fully enroll our clinical trials. For most of our product candidates, we are working to deliver known biologic products via the RaniPill platform, and accordingly, patients who are currently prescribed or eligible to be prescribed the approved injectable versions of these biologics may be unable or unwilling to participate in our clinical trials to test an unapproved delivery system of these medications. Our inability to enroll a sufficient number of patients for any of our current or future clinical trials would result in significant delays or may require us to abandon one or more clinical trials altogether.

Furthermore, any negative results we may report in clinical trials of our product candidates may make it difficult or impossible to recruit and retain patients in other clinical trials of that same candidate. Also, negative results in clinical trials by other companies regarding the biologics we are using or biosimilars or analogs thereof can additionally make it difficult or impossible to recruit and retain patients in our clinical trials. Delays or failures in planned patient enrollment or retention may result in increased costs, program delays or both, which could have a harmful effect on our ability to develop our product candidates, or could render further development impossible.

Our preclinical studies and clinical trials have been affected and may in the future be affected by the COVID-19 pandemic, such as by a reduction in staffing at a CRO, a pause in clinical trial patient enrollment to focus on, and direct resources to, COVID-19, or patients choosing not to enroll or continue participating in a clinical trial as a result of the pandemic. For example, we are developing RT-106 and RT-103 as an oral version of basal insulin and GLP-1 mimetic, respectively, for the treatment of Type 2 diabetes. According to the Centers for Disease Control and Prevention, people who have Type 2 diabetes are at higher risk of getting severely ill from COVID-19. As a result, potential patients in contemplated clinical trials may choose to not enroll, not participate in follow-up clinical visits or drop out of the trial as a precaution against contracting COVID-19 if not vaccinated. Further, some patients may not be able or willing to comply with clinical trial protocols if quarantines impede patient movement or interrupt healthcare services.

Our product candidates or similar investigational or approved drugs may cause undesirable side effects or have other properties impacting safety that could delay or prevent the regulatory approval of, limit the commercial profile of an approved label for, or result in limiting the commercial opportunity for our product candidates if approved.

Undesirable side effects that may be caused by our product candidates or caused by similar investigational or approved drugs within the same class by other companies, could cause us or regulatory authorities to interrupt, delay or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA or other comparable foreign authorities. Results of our clinical trials could reveal a high and unacceptable severity and prevalence of side effects or adverse events related to our product candidates. In such an event, our clinical trials could be suspended or terminated, and the FDA or comparable foreign regulatory authorities could order us to cease further development of our product candidates for any or all targeted biologic indications.

For example, in our Phase 1 clinical trial of RT-101, the RaniPill capsule was well tolerated by all subjects, and no subjects had difficulty swallowing the pill. Capsule remnants were passed by all trial subjects and no serious adverse events were observed. However, we have generated limited clinical data with the RaniPill capsule to date, and further analysis may reveal adverse events inconsistent with the safety profile observed to date.

Drug-related side effects could negatively affect patient recruitment or the ability of enrolled patients to complete the trial and even if our clinical trials are completed and our product candidate is approved, drug-related side effects could restrict the label or result in potential product liability claims. Any of these occurrences could significantly harm our business, financial condition and prospects.

Moreover, since our product candidates are being developed for indications for which subcutaneous and IV injectable pharmaceuticals have been approved, we expect that our clinical trials would need to show a risk/benefit profile that is competitive with those existing products and product candidates in order to obtain regulatory approval or, if approved, a product label that is favorable for commercialization.

In addition, similar investigational or approved drugs within the same class as our product candidates may encounter serious adverse events. In the event these products encounter serious adverse events, the FDA may remove the class of drugs from the market, impose a class wide REMS, or require other class wide

regulatory requirements. We may face increased regulatory scrutiny and ultimately may have to abandon our product candidate of the same class, which would have an adverse effect on our business, financial condition and operations.

Additionally, if one or more of our product candidates receives marketing approval and we or others later identify undesirable side effects caused by such products, a number of potentially significant negative consequences could result, including:

- regulatory authorities may withdraw approvals of such product;
- regulatory authorities may require additional warnings on the label;
- we may be required to create a medication guide outlining the risks of such side effects for distribution to patients;
- we could be sued and held liable for harm caused to patients; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of the particular product candidate which could significantly harm our business and prospects.

As an organization, we recently completed our first Phase 1 clinical trial, have not submitted an IND to the FDA and we have never conducted later-stage clinical trials or submitted a BLA, and may be unable to do so for any of our product candidates.

We are early in our development efforts for our product candidates, and we will need to successfully complete later-stage and pivotal clinical trials in order to obtain FDA or comparable foreign regulatory approval to market our current or any future product candidates. Carrying out later-stage clinical trials and the submission of a successful BLA is a complicated process. As an organization, we recently completed our first Phase 1 clinical trial for RT-101 conducted in Australia and have not yet conducted any clinical trials for our other product candidates. We have not previously conducted any later stage or pivotal clinical trials, have limited experience as a company in preparing, submitting and prosecuting regulatory filings and have not previously submitted a BLA or other comparable foreign regulatory submission for any product candidate. We also plan to conduct a number of clinical trials for multiple product candidates in parallel over the next several years. For example, we plan to initiate two clinical trials in 2022, for RT-102 and RT-109. This may be a difficult process to manage with our limited resources and may divert the attention of management. In addition, we have had limited interactions with the FDA, through the pre-submission process with the Center for Devices and Radiological Health (CDRH), and we have never filed an IDE or IND. Although we plan to engage with FDA's Center for Drug Evaluation and Research (CDER) and/or Center for Biologics Evaluation and Research (CBER) to request guidance on our clinical development plan, we have not done so, to date, and we cannot be certain how many clinical trials of our product candidates will be required or how such trials will have to be designed. For example, we anticipate relying on data developed on the RaniPill platform to enable shortened or more efficient development for our subsequent product candidates, but this may not be the case and the FDA or other regulatory authorities may require us to perform a full suite of studies for each of our product candidates. Consequently, we may be unable to successfully and efficiently commence, execute and complete necessary clinical trials in a way that leads to regulatory submission and approval of any of our product candidates. We may require more time and incur greater costs than our competitors and may not succeed in obtaining regulatory approvals of product candidates that we develop. Failure to commence or complete, or delays in, our planned clinical trials, could prevent us from or delay us in submitting BLAs for and commercializing our product candidates.

Our product candidates are subject to extensive regulation and compliance, which is costly and time consuming, and such regulation may cause unanticipated delays or prevent the receipt of the required approvals to commercialize our product candidates.

The clinical development, manufacturing, labeling, storage, record-keeping, advertising, promotion, import, export, marketing and distribution of our product candidates are subject to extensive regulation by the FDA in the United States and by comparable foreign regulatory authorities in foreign markets. In the United States, we are not permitted to market our product candidates until we receive regulatory approval from the FDA. The process of obtaining regulatory approval is expensive, often takes many years following the commencement of clinical trials and can vary substantially based upon the type, complexity and novelty of the product candidates involved, as well as the target indications and patient population. The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels and the ability to hire and retain key personnel and accept the payment of user fees. In addition, approval policies or regulations may change, and the FDA has substantial discretion in the approval process, including the ability to delay, limit or deny approval of a product candidate for many reasons. Despite the time and expense invested in clinical development of product candidates, regulatory approval is never guaranteed.

Prior to obtaining approval to commercialize a product candidate in the United States or abroad, we must demonstrate with substantial evidence from adequate and well-controlled clinical trials, and to the satisfaction of the FDA or comparable foreign regulatory authorities, that such product candidates are safe and effective for their intended uses. Results from nonclinical studies and clinical trials can be interpreted in different ways. Even if we believe the nonclinical or clinical data for our product candidates are promising, such data may not be sufficient to support approval by the FDA and comparable foreign regulatory authorities. The FDA or comparable foreign regulatory authorities, as the case may be, may also require us to conduct additional preclinical studies or clinical trials for our product candidates either prior to or post-approval, or may object to elements of our clinical development program.

The FDA or comparable foreign regulatory authorities can delay, limit or deny approval of a product candidate for many reasons, including:

- such authorities may disagree with the design or implementation of our clinical trials;
- negative or ambiguous results from our clinical trials or results may not meet the level of statistical significance required by the FDA or comparable foreign regulatory authorities for approval;
- serious and unexpected drug-related side effects may be experienced by participants in our clinical trials or by individuals using drugs similar to our product candidates;
- the population studied in the clinical trial may not be sufficiently broad or representative to assure safety in the full population for which we seek approval;
- such authorities may not accept clinical data from trials which are conducted at clinical facilities or in countries where the standard of care is potentially different from that of the United States;
- we may be unable to demonstrate that a product candidate’s clinical and other benefits outweigh its safety risks;
- such authorities may disagree with our interpretation of data from preclinical studies or clinical trials;
- such authorities may not agree that the data collected from clinical trials of our product candidates are acceptable or sufficient to support the submission of a BLA or other submission or to obtain regulatory approval in the United States or elsewhere, and such authorities may impose requirements for additional preclinical studies or clinical trials;

- such authorities may disagree regarding the formulation, labeling and/or the specifications of our product candidates;
- approval may be granted only for indications that are significantly more limited than what we apply for and/or with other significant restrictions on distribution and use;
- such authorities may find deficiencies in the manufacturing processes or facilities of our third-party manufacturers with which we contract for clinical and commercial supplies;
- regulations of such authorities may significantly change in a manner rendering our or any of our potential future collaborators' clinical data insufficient for approval; or
- such authorities may not accept a submission due to, among other reasons, the content or formatting of the submission.

With respect to foreign markets, approval procedures vary among countries and, in addition to the foregoing risks, may involve additional product testing, administrative review periods and agreements with pricing authorities. In addition, events raising questions about the safety of certain marketed biologics may result in increased cautiousness by the FDA and comparable foreign regulatory authorities in reviewing new biologics based on safety, efficacy or other regulatory considerations and may result in significant delays in obtaining regulatory approvals. Any delay in obtaining, or inability to obtain, applicable regulatory approvals would prevent us from commercializing our product candidates.

Because we have multiple product candidates in our clinical pipeline and are considering a variety of target indications, we may expend our limited resources to pursue a particular product candidate and fail to capitalize on product candidates or indications that may be more profitable or for which there is a greater likelihood of success.

Because we have limited financial and managerial resources, we focus on specific product candidates, indications and development programs. We also plan to conduct several clinical trials for our product candidates in parallel over the next several years, including potentially initiating two clinical trials across our product candidates in 2022, which may make our decision as to which product candidates to focus on more difficult. As a result, we may forgo or delay pursuit of opportunities with other product candidates or other indications that could have had greater commercial potential or likelihood of success. In addition, we are focused on developing the RaniPill capsule in addition to the biologic formulations for use in the RaniPill capsule. While we intend to focus on well-characterized molecules with attractive commercial characteristics, focusing both on biologics delivery and formulation will require substantial resource and attention. In addition, we may identify other target payloads that are larger than the current capacity of the RaniPill capsule and we would need to redesign and conduct additional preclinical and clinical studies of any future design of the RaniPill capsule. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities. Our spending on current and future research and development programs and product candidates for specific indications may not yield any commercially viable products. If we do not accurately evaluate the commercial potential or target market for a particular product candidate, we may relinquish valuable rights to that product candidate through future collaborations, licenses and other similar arrangements in cases in which it would have been more advantageous for us to retain sole development and commercialization rights to such product candidate.

Additionally, we may pursue additional in-licenses or acquisitions of development-stage assets or programs, which entails additional risk to us. Identifying, selecting and acquiring promising product candidates requires substantial technical, financial and human resources expertise. Efforts to do so may not result in the actual acquisition or license of a particular product candidate, potentially resulting in a diversion of our management's time and the expenditure of our resources with no resulting benefit. For example, if we are unable

to identify programs that ultimately result in approved products, we may spend material amounts of our capital and other resources evaluating, acquiring and developing products that ultimately do not provide a return on our investment.

A breakthrough therapy designation or Fast Track designation by the FDA for a drug may not lead to a faster development or regulatory review or approval process, and it would not increase the likelihood that the drug will receive marketing approval.

In the future, we may seek a breakthrough therapy designation for one or more of our product candidates. A breakthrough therapy is defined as a drug that is intended, alone or in combination with one or more other drugs, to treat a serious or life-threatening disease or condition, and preliminary clinical evidence indicates that the drug may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. For drugs that have been designated as breakthrough therapies, interaction and communication between the FDA and the sponsor of the trial can help to identify the most efficient path for clinical development while minimizing the number of patients placed in ineffective control regimens. Drugs designated as breakthrough therapies by the FDA are also eligible for priority review if supported by clinical data at the time of the submission of the biologics license application.

Designation as a breakthrough therapy is at the discretion of the FDA. Accordingly, even if we believe that one of our product candidates meets the criteria for designation as a breakthrough therapy, the FDA may disagree and instead determine not to make such designation. In any event, the receipt of a breakthrough therapy designation for a drug may not result in a faster development process, review, or approval compared to drugs considered for approval under conventional FDA procedures and it would not assure ultimate approval by the FDA. In addition, even if one or more of our product candidates qualify as breakthrough therapies, the FDA may later decide that the product candidates no longer meets the conditions for qualification, or it may decide that the time period for FDA review or approval will not be shortened.

We may seek Fast Track designation for some of our product candidates. If a therapy is intended for the treatment of a serious or life-threatening condition and the therapy demonstrates the potential to address significant unmet medical needs for this condition, the drug sponsor may apply for Fast Track designation. The FDA has broad discretion whether or not to grant this designation, and even if we believe a particular product candidates is eligible for this designation, the FDA may not decide to grant it. Even if we do receive Fast Track designation, we may not experience a faster development process, review, or approval compared to conventional FDA procedures. If our clinical development program does not continue to meet the criteria for Fast Track designation, or if our clinical trials are delayed, suspended, or terminated, or put on clinical hold due to unexpected adverse events or issues with clinical supply, we will not receive the benefits associated with the Fast Track program. Furthermore, Fast Track designation and priority review do not change the standards for approval. The FDA may withdraw Fast Track designation if it believes that the designation is no longer supported by data from our clinical development program. Fast Track designation alone does not guarantee qualification for the FDA's priority review procedures.

Interim, topline and preliminary data from our clinical trials that we announce or publish from time to time may change as more patient data become available and are subject to audit and verification procedures that could result in material changes in the final data.

From time to time, we may publicly disclose interim, topline or preliminary data from our clinical trials, which is based on a preliminary analysis of then-available data, and the results and related findings and conclusions are subject to change following a more comprehensive review of the data related to the particular study or trial. We also make assumptions, estimations, calculations and conclusions as part of our analyses of data, and we may not have received or had the opportunity to fully and carefully evaluate all data. As a result, the topline results that we report may differ from future results of the same studies, or different conclusions or considerations may qualify such results, once additional data have been received and fully evaluated. Topline

data also remain subject to audit and verification procedures that may result in the final data being materially different from the preliminary data we previously published. As a result, topline data should be viewed with caution until the final data are available. From time to time, we may also disclose interim data from our clinical studies. Interim data from clinical trials that we may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available. Adverse differences between preliminary or interim data and final data could significantly harm our business prospects. Further, others, including regulatory authorities, may not accept or agree with our assumptions, estimates, calculations, conclusions or analyses or may interpret or weigh the importance of data differently, which could impact the value of the particular program, the approvability or commercialization of the particular product candidate or product and our company in general. In addition, the information we choose to publicly disclose regarding a particular study or clinical trial is based on what is typically extensive information, and you or others may not agree with what we determine is the material or otherwise appropriate information to include in our disclosure, and any information we determine not to disclose may ultimately be deemed significant with respect to future decisions, conclusions, views, activities or otherwise regarding a particular drug, drug candidate or our business. If the topline data that we report differ from actual results, or if others, including regulatory authorities, disagree with the conclusions reached, our ability to obtain approval for, and commercialize, our product candidates may be harmed, which could harm our business, operating results, prospects or financial condition.

Product candidates comprising a biologic within the RaniPill capsule employ novel technologies that have not yet been approved by the FDA or comparable foreign regulatory authorities, and we anticipate that our applications will have to be submitted as original, standalone BLAs. These regulatory authorities have limited experience in evaluating our technologies and product candidates. Our novel technologies also make it difficult to predict the time and cost of product candidate development.

We and our collaboration partners are developing product candidates based on novel technologies, and we intend to work closely with our collaboration partners to understand and deliver the requisite demonstration of safety and efficacy that the FDA and comparable foreign regulatory authorities may seek for the approval of our product candidates, which comprise a biologic within the RaniPill capsule. It is possible that the regulatory approval process may take significant time and resources and require deliverables from independent third parties not under our control. We anticipate that our marketing applications to the FDA will have to be submitted as 351(a) BLAs. For some of our product candidates, the regulatory approval path and requirements may not be clear or may change, which could add significant delay and expense. For example, although we have engaged in pre-submission meetings with FDA's CDRH regarding our planned evaluation of the RaniPill platform under an IDE, we have not yet engaged in formal interactions with CDER or CBER to obtain FDA feedback on the clinical trials that will be necessary to support BLA submissions for any of our product candidates. Delays or failure to obtain regulatory approval of any of the products that we or our collaboration partners develop using our novel technologies would adversely affect our business.

In addition, we are in the early stages of developing our platform and any development problems we experience in the future may cause significant delays or unanticipated costs, and such development problems may not be able to be overcome. We may also experience delays in developing a sustainable, reproducible and scalable manufacturing process or transferring that process to commercial partners, which may prevent us from completing our clinical trials or commercializing our products on a timely or profitable basis, if at all. In addition, our expectations with regard to our scalability and costs of manufacturing may vary significantly as we develop our product candidates and understand these critical factors.

We have limited clinical data on our product candidates to indicate whether they are safe or effective for long-term use in humans.

We have limited clinical data on our product candidates and we have not conducted any studies to evaluate whether they are safe or effective for long-term use in humans, including to evaluate the safety of any degradation products that may result after the drug is injected into the intestinal wall. In our Phase 1 clinical trial

of RT-101, we tested the RaniPill capsule in a limited number of healthy volunteers. While we have not observed any serious adverse events as a result of these preclinical studies or clinical trial, we have not widely tested the RaniPill capsule in humans and cannot be certain how the RaniPill capsule will perform when more widely tested in humans in any later clinical trials.

If treatment with any of our product candidates in our ongoing or future clinical trials results in concerns about their safety or efficacy, we and our collaboration partners may be unable to successfully develop or commercialize any or all of our product candidates or enter into collaborations with respect to our product candidates.

We have conducted and may in the future conduct clinical trials for current or future product candidates outside the United States, and the FDA and comparable foreign regulatory authorities may not accept data from such trials.

We have conducted and may in the future choose to conduct one or more clinical trials outside the United States. For example, we conducted a Phase 1 study of RT-101 in Australia. The acceptance of study data from clinical trials conducted outside the United States or another jurisdiction by the FDA or comparable foreign regulatory authority may be subject to certain conditions or may not be accepted at all. In cases where data from foreign clinical trials are intended to serve as the sole basis for marketing approval in the United States, the FDA will generally not approve the application on the basis of foreign data alone unless (i) the data are applicable to the U.S. population and U.S. medical practice; (ii) the trials were performed by clinical investigators of recognized competence and pursuant to GCP regulations; and (iii) the data may be considered valid without the need for an on-site inspection by the FDA, or if the FDA considers such inspection to be necessary, the FDA is able to validate the data through an on-site inspection or other appropriate means. In addition, even where the foreign study data are not intended to serve as the sole basis for approval, the FDA will not accept the data as support for an application for marketing approval unless the study is well-designed and well-conducted in accordance with GCP and the FDA is able to validate the data from the study through an onsite inspection if deemed necessary. Many foreign regulatory authorities have similar approval requirements. In addition, such foreign trials would be subject to the applicable local laws of the foreign jurisdictions where the trials are conducted. There can be no assurance that the FDA or any comparable foreign regulatory authority will accept data from trials conducted outside of the United States or the applicable jurisdiction. If the FDA or any comparable foreign regulatory authority does not accept such data, it would result in the need for additional trials, which could be costly and time-consuming, and which may result in current or future product candidates that we may develop not receiving approval for commercialization in the applicable jurisdiction.

Risks Related to Commercialization of Our Product Candidates

Even if we receive regulatory approval for any product candidate, we will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense. Additionally, our product candidates, if approved, could be subject to labeling and other restrictions on marketing or withdrawal from the market, and we may be subject to penalties if we fail to comply with regulatory requirements or if we experience unanticipated problems with our product candidates, when and if any of them are approved.

If any of our product candidates are approved, they 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 requirements of comparable foreign regulatory authorities.

Manufacturers and manufacturers' facilities are required to comply with extensive requirements imposed by the FDA and comparable foreign regulatory authorities, including ensuring that quality control and manufacturing procedures conform to cGMP regulations. As such, we and our contract manufacturers, if any,

will be subject to continual review and inspections to assess compliance with cGMP and adherence to commitments made in any BLA or MAA. 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.

Any regulatory approvals that we receive for our product candidates will be subject to limitations on the approved indicated uses for which the product may be marketed and promoted or to the conditions of approval (including the requirement to implement a risk evaluation and mitigation strategy), or contain requirements for potentially costly post-marketing testing. We will be required to report certain adverse reactions and production problems, if any, to the FDA and comparable foreign regulatory authorities. The FDA and other agencies, including the Department of Justice, closely regulate and monitor the post-approval marketing and promotion of products to ensure that they are manufactured, marketed, and distributed only for the approved indications and in accordance with the provisions of the approved labeling. We will have to comply with requirements concerning advertising and promotion for our products. The holder of an approved BLA or MAA 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 trials to verify the safety and efficacy of our products in general or in specific patient subsets. If original marketing approval was obtained via the accelerated approval pathway, we could be required to conduct a successful post-marketing clinical trial to confirm clinical benefit for our products. 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 authorities 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 that would result in adverse publicity;
- impose civil or criminal penalties;
- suspend or withdraw regulatory approvals;
- suspend any of our ongoing clinical trials;
- refuse to approve pending applications or supplements to approved applications submitted by us;
- impose restrictions on our operations, including closing our contract manufacturers’ facilities;
- seize or detain products; or
- require a product recall.

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.

Even if our product candidates receive marketing approval, they may fail to achieve market acceptance by physicians, patients, government payors (including Medicare and Medicaid programs), private insurers, and other third-party payors, or others in the medical community necessary for commercial success.

If any of our product candidates receive marketing approval, they may nonetheless fail to gain sufficient market acceptance by physicians, patients, government payors, other third-party payors and other healthcare providers. If any of our approved products fail to achieve an adequate level of acceptance, we may not generate significant revenue to become profitable. The degree of market acceptance, if approved for commercial sale, will depend on a number of factors, including but not limited to:

- the potential or perceived advantages or disadvantages of the oral delivery of biologics as compared to subcutaneous or IV injections of biologics;
- the efficacy of our product candidates compared to alternative treatments;
- the shelf-life of our product candidates;
- the effectiveness of sales and marketing efforts;
- the cost of treatment in relation to alternative treatments;
- our ability to offer our product candidates for sale at competitive prices;
- the willingness of the target patient population to try the RaniPill capsule;
- the class of drugs that are included in our product candidates continuing to represent the standard-of-care for the respective disease target and continuing to have a long-term favorable safety profile;
- the willingness of physicians to prescribe use of the RaniPill capsule and to prescribe biologics that utilize the RaniPill capsule;
- the willingness of the medical community to offer patients our product candidates in addition to or in the place of current subcutaneous and IV injectable therapies;
- the strength of marketing and distribution support;
- the availability of government and third-party coverage and adequate reimbursement;
- our ability to manufacture sufficient supply to meet patients' demand;
- the prevalence and severity of any side effects; and
- any restrictions on the use of our product candidates together with other medications or treatments.

Because we expect sales of our product candidates, if approved, to generate revenue for us to achieve profitability, the failure of our product candidates to achieve market acceptance would harm our business and could require us to seek collaborations or undertake additional financings sooner than we would otherwise plan.

The FDA and comparable foreign regulatory authorities actively enforce the laws and regulations prohibiting the promotion of off-label uses. If we are found or alleged to have improperly promoted off-label uses, we may become subject to significant liability.

The FDA and comparable foreign regulatory authorities strictly regulate the promotional claims that may be made about prescription products, as our product candidates would be, if approved. In particular, a product may not be promoted for uses that are not approved by the FDA or comparable foreign regulatory authorities as reflected in the product's approved labeling. However, companies may share truthful and not misleading information that is otherwise consistent with a product's FDA approved labeling. If we receive marketing approval for any one of our product candidates, physicians could prescribe such product to their patients in a manner that is inconsistent with the approved label. If we are found to have promoted such off-label uses, we may become subject to significant liability. The federal government has levied large civil and criminal fines against companies for alleged improper promotion and has enjoined several companies from engaging in off-label promotion. If we become the target of such an investigation or prosecution based on our marketing and promotional practices, we could face similar sanctions, which would materially harm our business. In addition, management's attention could be diverted from our business operations, significant legal expenses could be incurred, and our reputation could be damaged. The FDA has also requested that companies enter into consent decrees or permanent injunctions under which specified promotional conduct is changed or curtailed. If we cannot successfully manage the promotion of our product candidates, if approved, we could become subject to significant liability, which would adversely affect our business and financial condition.

The insurance coverage and reimbursement status of newly approved products is uncertain. Failure to obtain or maintain adequate coverage and reimbursement for our product candidates could limit our ability to generate revenue.

The availability and extent of reimbursement by governmental and private payors is essential for most patients to be able to afford medications and therapies. Sales of any of our product candidates that receive marketing approval will depend substantially, both in the United States and internationally, on the extent to which the costs of our product candidates will be paid by health maintenance, managed care, pharmacy benefit and similar healthcare management organizations, or reimbursed by government health administration authorities, private health coverage insurers and other third-party payors. If reimbursement is not available, or is available only to limited levels, we may not be able to successfully commercialize our product candidates. Even if coverage is provided, the approved reimbursement amount may not be high enough to allow us to establish or maintain adequate pricing that will allow us to realize a sufficient return on our investment.

Factors payors consider in determining reimbursement are based on whether the product is:

- 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 for new products are typically made by CMS, an agency within the United States Department of Health and Human Services. CMS decides whether and to what extent a new product will be covered and reimbursed under Medicare. Private payors tend to follow CMS to a substantial degree. It is difficult to predict what CMS will decide with respect to reimbursement for novel products such as ours since there is no body of established practices and precedents for these new products. Reimbursement agencies in Europe may be more conservative than CMS.

Outside the United States, international operations are generally subject to extensive governmental price controls and other market regulations, and we believe the increasing emphasis on cost-containment initiatives in Europe, Canada and other countries may cause us to price our product candidates on less favorable terms that we currently anticipate. In many countries, particularly the countries of the European Union, the prices of medical products are subject to varying price control mechanisms as part of national health systems. In these countries, pricing negotiations with governmental authorities can take considerable time after the receipt of marketing approval for a product. To obtain reimbursement or pricing approval in some countries, we may be required to conduct a clinical trial that compares the cost-effectiveness of our product candidates to other available therapies. In general, the prices of products under such systems are substantially lower than in the United States. Other countries allow companies to fix their own prices for products, but monitor and control company profits. Additional foreign price controls or other changes in pricing regulation could restrict the amount that we are able to charge for our product candidates. Accordingly, in markets outside the United States, the reimbursement for our products may be reduced compared with the United States and may be insufficient to generate commercially reasonable revenues and profits.

Moreover, increasing efforts by governmental and third-party payors, in the United States and internationally, to cap or reduce healthcare costs may cause such organizations to limit both coverage and level of reimbursement for new products approved and, as a result, they may not cover or provide adequate payment for our product candidates. We expect to experience pricing pressures in connection with the sale of any of our product candidates 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 surgical procedures and other treatments, has become very intense. As a result, increasingly high barriers are being erected to the entry of new products into the healthcare market.

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

The biotherapeutics and pharmaceutical industries are intensely competitive and subject to rapid and significant technological change. We have competitors worldwide, including major multinational pharmaceutical companies, biotherapeutics companies, specialty pharmaceutical and generic pharmaceutical companies as well as universities and other research institutions.

Many of our competitors have substantially greater financial, technical and other resources, such as larger research and development staff, and experienced marketing and manufacturing organizations. Mergers and acquisitions in our industry may result in even more resources being concentrated in our competitors. As a result, these companies may obtain regulatory approval more rapidly than we are able and may be more effective in selling and marketing their products. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large, established companies.

Competition may increase further as a result of advances in the commercial applicability of newer technologies and greater availability of capital for investment in these industries. Our competitors may succeed in developing, acquiring or licensing, on an exclusive basis, pharmaceutical products that are easier to develop, more effective or less costly than any product candidates that we are currently developing or that we may develop. Unforeseen technological advances to those of our technologies may be developed by these competitors. If approved, our product candidates are expected to face competition from commercially available drugs as well as drugs and devices that are in the development pipelines of our competitors.

Pharmaceutical companies may invest heavily to accelerate discovery and development of novel technologies or to in-license novel technologies that could make our product candidates less competitive. In addition, any new product that competes with an approved product must demonstrate advantages in efficacy, convenience, tolerability or safety in order to overcome price competition and to be commercially successful. If our competitors succeed in obtaining FDA or comparable foreign regulatory approval before we do or develop

blocking intellectual property to which we do not have a license, there would be a material adverse impact on the future prospects for our product candidates and business.

We face competition primarily from current and future (generic and biosimilars) manufacturers of subcutaneous and IV injectable versions of our product candidates, such as AbbVie Inc., Eli Lilly and Company, Novartis AG, Roche Holdings AG and the SOMA and LUMI from the Novo Nordisk-MIT collaboration. Additionally, we face competition from companies that are pursuing the development and manufacture of oral biologics, including Oramed Pharmaceuticals, Inc., Entera Bio Ltd., Applied Molecular Transport Inc., Protagonist Therapeutics, Inc., Chiasma, Inc., and Novo Nordisk A/S. For example, Chiasma received FDA approval for an oral octreotide product, MYCAPSSA, in June 2020. We also face competition from gene and cell therapy companies. Further, our product candidates aim to treat chronic diseases. As a result, we also compete with curative therapies on the basis that they cure the chronic disease we are intending to treat.

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

- the efficacy and safety of our product candidates, in particular compared to marketed products and products in late-stage development;
- the time it takes for our product candidates to complete clinical development and receive regulatory approval, if at all;
- the ability to commercialize and market any of our product candidates that receive regulatory approval;
- the price of our products, including in comparison to branded or generic competitors;
- whether coverage and adequate levels of reimbursement are available under private and governmental health insurance plans, including Medicare;
- the ability to protect our intellectual property rights related to our product candidates;
- the ability to avoid infringing on the intellectual property rights of others;
- the ability to manufacture and sell commercial quantities of any of our product candidates that receive regulatory approval; and
- acceptance of any of our product candidates, if approved, by payors, patients, and physicians and other healthcare providers, including perception of the safety and efficacy of the oral delivery of biologics.

Because our research approach depends on our proprietary RaniPill platform, it may be difficult for us to continue to successfully compete in the face of rapid changes in technology. If we fail to continue to advance the RaniPill platform, technological change may impair our ability to compete effectively and technological advances or products developed by our competitors may render our technologies or product candidates obsolete, less competitive or not economical.

We currently have no marketing and sales organization. To the extent any of our product candidates for which we maintain commercial rights is approved for marketing, if we are unable to establish marketing and sales capabilities or enter into agreements with third parties to market and sell our product candidates, we may not be able to effectively market and sell any of our product candidates, or generate product revenue.

We currently do not have a marketing or sales organization for the marketing, sales and distribution of biologics products. In order to commercialize any product candidates that receive marketing approval, we would have to build marketing, sales, distribution, managerial and other non-technical capabilities or make

arrangements with third parties to perform these services, and we may not be successful in doing so. In the event of successful development of any of our product candidates, we may elect to build a targeted specialty sales force which will be expensive and time consuming. Any failure or delay in the development of our internal sales, marketing and distribution capabilities would adversely impact the commercialization of these products. With respect to our product candidates, we may choose to partner with third parties that have direct sales forces and established distribution systems, either to augment our own sales force and distribution systems or in lieu of our own sales force and distribution systems. If we are unable to enter into collaborations with third parties for the commercialization of approved products, if any, on acceptable terms or at all, or if any such partner does not devote sufficient resources to the commercialization of our products or otherwise fails in commercialization efforts, we may not be able to successfully commercialize any of our product candidates that receive regulatory approval. If we are not successful in commercializing our product candidates, either on our own or through collaborations with one or more third parties, our future revenue will be materially and adversely impacted.

If the market opportunities for any product that we develop are smaller than we believe they are, our commercial revenue may be adversely affected and our business may suffer.

Our projections of both the number of people who have the diseases we may be targeting, as well as the subset of people with these health issues who have the potential to benefit from treatment with our current and any of our future product candidates are based on our beliefs and estimates. For example, we are developing RT-101 for the treatment of acromegaly, for which we estimate the patient population is approximately 25,000 people in the United States as of November 2016, RT-102 for the treatment of osteoporosis, for which we estimate the patient population is approximately 10.0 million in the United States as of 2018, and RT-105 for the treatment of psoriatic arthritis, for which we estimate the patient population is approximately 2.4 million in the United States as of March 2014. These estimates have been derived from a variety of sources, including scientific literature, surveys of clinics, patient foundations, or market research, and may prove to be incorrect. Further, new information may change the estimated incidence or prevalence of these diseases. The total addressable market across all of our product candidates will ultimately depend upon, among other things, the diagnosis criteria for indications included in the final label for each of our product candidates approved for sale for these indications, the availability of alternative treatments and the safety, convenience, cost and efficacy of our product candidates relative to such alternative treatments, acceptance by the medical community and patients, and patient access, drug pricing and reimbursement. The number of patients in the United States and other major markets and elsewhere may turn out to be lower than expected, patients may not be otherwise amenable to treatment with our products or new patients may become increasingly difficult to identify or gain access to, all of which would adversely affect our results of operations and our business. Even if we obtain significant market share for our products, if approved, if the potential target populations are small, we may never achieve profitability without obtaining regulatory approval for additional indications.

Additional time may be required to obtain regulatory approval for our product candidates because they are combination products.

We believe our product candidates are biologic-device combination products that require coordination within the FDA and comparable foreign regulatory authorities for review of their device and biologic components. Although the FDA and comparable foreign regulatory authorities have systems in place for the review and approval of combination products such as ours, we may experience delays in the development and commercialization of our product candidates due to regulatory timing constraints and uncertainties in the product development and approval process.

Even if we obtain and maintain approval for any of our product candidates from the FDA, we may never obtain approval for our product candidates outside of the United States, which would limit our market opportunities and adversely affect our business.

Sales of our product candidates outside of the United States will be subject to foreign regulatory requirements governing clinical trials and marketing approval and, to the extent that we retain commercial rights following clinical development, we would plan to seek regulatory approval to commercialize our product candidates in the United States, the European Union and additional foreign countries. Even if the FDA grants marketing approval for a product candidate, comparable foreign regulatory authorities must also approve the manufacturing and marketing of that product candidate in those countries. Approval procedures vary among jurisdictions and can involve requirements and administrative review periods different from, and greater 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 products is also subject to approval. We may decide to submit an MAA to the EMA for approval in the EEA. As with the FDA, obtaining approval of an MAA from the EMA is a similarly lengthy and expensive process and the EMA has its own procedures for approval of product candidates. Even if a product is approved, the FDA or the EMA, as the case may be, may limit the indications for which the product may be marketed, require extensive warnings on the product labeling or require expensive and time-consuming clinical trials or reporting as conditions of approval. Foreign regulatory authorities in countries outside of the United States and the EEA also have requirements for approval of drug candidates with which we must comply prior to marketing in those countries. Obtaining foreign regulatory approvals and compliance with foreign regulatory requirements could result in significant delays, difficulties and costs for us and could delay or prevent the introduction of our products in certain countries. Further, clinical trials conducted in one country may not be accepted by comparable foreign regulatory authorities in other countries and regulatory approval in one country does not ensure approval in any other country, while a failure or delay in obtaining regulatory approval in one country may have a negative effect on the regulatory approval process in others. Also, regulatory approval for any of our product candidates may be withdrawn. If we fail to comply with the regulatory requirements in international markets or fail to receive applicable marketing approvals, our target market will be reduced and our ability to realize the full market potential of our product candidates will be harmed and our business will be adversely affected.

Risks Related to Our Reliance on Third Parties

We may not be successful in maintaining or obtaining formulation and manufacturing collaborations, and any potential partner may not devote sufficient resources to the formulation and manufacturing of our product candidates or may otherwise fail in formulation and manufacturing efforts, which could adversely affect our ability to develop certain of our product candidates and adversely affect our financial condition and operating results.

We have entered into evaluation agreements with Novartis Pharmaceuticals Corporation, or Novartis, Takeda and CCHN concerning the formulation and manufacture of oral versions of a confidential molecule of Novartis, Factor VIII and hGH, respectively. Such evaluation agreements, and any additional collaborations entered into, may not ultimately be successful, which could have a negative impact on our business, results of operations, financial condition and growth prospects. While we plan to expand our reach by selectively entering into strategic partnerships, we may not be able to enter into such partnerships, and if we do, we may not be able to maintain significant rights or control of future development and commercialization of our product candidates. Accordingly, if we collaborate with a third party for development and commercialization of a product candidate, we may relinquish some or all of the control over the future success of that product candidate to the third party, and that partner may not devote sufficient resources to the formulation and manufacture of our product candidate or may otherwise fail in these efforts, in which event the formulation and manufacture of the product candidate in the collaboration could be delayed or terminated and our business could be substantially harmed.

We believe our product candidates are biologic-device combination products that we anticipate will be regulated under the biologic regulations of the FDA based on its primary mode of action as a biologic. Third-party manufacturers may not be able to comply with the regulatory requirements, known as cGMP, applicable to biologic-device combination products, including applicable provisions of the FDA's drug and biologics cGMP regulations, device cGMP requirements embodied in the medical device QSRs or similar regulatory requirements outside the United States. Our failure, or the failure of our third-party manufacturers, to comply with applicable regulations could result in sanctions being imposed on us, including clinical holds, fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, license revocation, seizures or recalls of product candidates, operating restrictions and criminal prosecutions, any of which could significantly affect supplies of our product candidates. The facilities used by our contract manufacturers to manufacture our product candidates must be approved by the FDA pursuant to inspections that will be conducted after we submit any BLA to the FDA.

In addition, the terms of any potential collaboration or other arrangement that we may establish may not be favorable to us or may not be perceived as favorable, which may negatively impact the price of our Class A common stock. In some cases, we may be responsible for continuing formulation of a product candidate under a collaboration, and the payments we receive from our partner may be insufficient to cover the cost of this formulation or may result in a dispute between the parties. Moreover, collaborations and sales and marketing arrangements are complex and time consuming to negotiate, document and implement and they may require substantial resources to maintain, which may be detrimental to the development of our other product candidates.

We are subject to a number of additional risks associated with our dependence on collaborations with third parties, the occurrence of which could cause our collaboration arrangements to fail. Conflicts may arise between us and partners, such as conflicts concerning the implementation of development plans, efforts and resources dedicated to the product candidate, interpretation of clinical data, the achievement of milestones, the interpretation of financial provisions or the ownership of intellectual property developed during the collaboration. If any such conflicts arise, a collaborator could act in its own self-interest, which may be adverse to our interests. Any such disagreement between us and a partner could result in one or more of the following, each of which could delay or prevent the development or commercialization of our product candidates, and in turn prevent us from generating sufficient revenue to achieve or maintain profitability:

- reductions in the payment of royalties or other payments we believe are due pursuant to the applicable collaboration arrangement;
- actions taken by a partner inside or outside our collaboration which could negatively impact our rights or benefits under our collaboration; or
- unwillingness on the part of a partner to keep us informed regarding the progress of its development and commercialization activities or to permit public disclosure of the results of those activities.

In addition, the termination of a collaboration may limit our ability to obtain rights to the product or intellectual property developed by our collaborator under terms that would be sufficiently favorable for us to consider further development or investment in the terminated collaboration product candidate, even if it were returned to us.

We rely on third parties to conduct our preclinical studies and clinical trials. If these third parties do not successfully carry out their contractual duties or do not meet regulatory requirements or expected deadlines, we may not be able to obtain timely regulatory approval for or commercialize our product candidates and our business could be substantially harmed.

We have relied upon and plan to continue to rely upon third-party CROs to monitor and manage clinical trials and collect data during our preclinical studies and clinical programs. We rely on these parties for execution of our preclinical studies and clinical trials, and control only certain aspects of their activities. Nevertheless, we

are responsible for ensuring that their conduct meets regulatory requirements and that each of our studies and trials is conducted in accordance with the applicable protocol, legal, regulatory and scientific standards, and our reliance on CROs does not relieve us of our regulatory responsibilities. Thus, we and our CROs are required to comply with GCPs, which are regulations and guidelines promulgated by the FDA and comparable foreign regulatory authorities for all of our product candidates in clinical development. Regulatory authorities enforce these GCPs through periodic inspections of trial sponsors, principal investigators and trial sites. If we or any of our CROs fail to comply with applicable GCPs, the clinical data generated in our clinical trials may be deemed unreliable and the FDA or comparable foreign regulatory authorities may not accept the data or may require us to perform additional clinical trials before considering our filing for regulatory approval or approving our marketing application. We cannot assure you that upon inspection by a regulatory authority, such regulatory authority will determine that any of our clinical trials complies with GCPs. While we have agreements governing activities of our CROs, we may have limited influence over their actual performance and the qualifications of their personnel conducting work on our behalf. Failure to comply with applicable regulations in the conduct of the clinical studies for our product candidates may require us to repeat clinical trials, which would delay the regulatory approval process.

Some of our CROs have an ability to terminate their respective agreements with us if it can be reasonably demonstrated that the safety of the volunteers participating in our clinical trials warrants such termination, if we make a general assignment for the benefit of our creditors or if we are liquidated.

If any of our relationships with these third-party CROs terminate, we may not be able to enter into arrangements with alternative CROs or do so on commercially reasonable terms. In addition, our CROs are not our employees, and except for remedies available to us under our agreements with such CROs, we cannot control whether or not they devote sufficient time and resources to our preclinical and clinical programs. If CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to our clinical protocols, regulatory requirements or for other reasons, our clinical trials may be extended, delayed or terminated and we may not be able to obtain regulatory approval for or successfully commercialize our product candidates. As a result, our results of operations and the commercial prospects for our product candidates would be harmed, our costs could increase substantially and our ability to generate revenue could be delayed significantly.

Switching or adding additional CROs involves additional cost and requires management time and focus. In addition, there is a natural transition period when a new CRO commences work. As a result, delays occur, which can materially impact our ability to meet our desired clinical development timelines. Though we carefully manage our relationships with our CROs, there can be no assurance that we will not encounter challenges or delays in the future or that these delays or challenges will not have a material adverse impact on our business, financial condition and prospects.

We depend on third-party suppliers for key materials used in our manufacturing processes as well as for the manufacturing of biosimilars and the loss of these third parties or their inability to supply us with adequate materials and biosimilars could harm our business.

We rely on third-party suppliers for the supply of the raw materials and APIs required for the production of our product candidates, and we may to some extent rely on third-party manufacturers for the commercial supply of any of our product candidates for which we seek to obtain marketing approval. In addition, we work with third parties to manufacture and develop biologics for inclusion in the RaniPill capsule.

Our dependence on these third parties and the challenges we may face in obtaining adequate supplies of raw materials, APIs and biosimilars involve several risks, including limited control over pricing, availability, quality, delivery schedules and non-exclusivity. As a small company, our negotiation leverage is limited, and we are likely to get lower priority than our competitors who are larger than we are. We do not have long-term supply

agreements, and we purchase our required supplies on a development manufacturing services agreement or purchase order basis or the like. These third parties may not continue to provide us with the quantities of these materials that we require to satisfy our anticipated specifications and quality requirements. Any supply interruption in limited or sole sourced raw materials, APIs or biosimilars could materially harm our ability to manufacture our product candidates until a new source of supply, if any, could be identified and qualified. We may be unable to find a sufficient alternative supply channel in a reasonable time or on commercially reasonable terms. Any performance failure on the part of our suppliers could have an adverse effect on our business, financial condition and results of operations.

We may seek to enter into collaborations, licenses and other similar arrangements and may not be successful in doing so, and even if we are, we may not realize the benefits of such relationships.

We may seek to enter into, and have entered into, collaborations, joint ventures, licenses and other similar arrangements for the development or commercialization of our product candidates, due to capital costs required to develop or commercialize the product candidate or manufacturing constraints. We may not be successful in our efforts to establish or maintain such collaborations for our product candidates because our research and development pipeline may be insufficient, our product candidates may be deemed to be at too early of a stage of development for collaborative effort or third parties may not view our product candidates as having the requisite potential to demonstrate safety and efficacy or significant commercial opportunity. In addition, we face significant competition in seeking appropriate strategic partners, and the negotiation process can be time consuming and complex. Further, any future collaboration agreements may restrict us from entering into additional agreements with potential collaborators. Following a strategic transaction or license, we may not achieve an economic benefit that justifies such transaction.

Even if we are successful in our efforts to establish such collaborations, the terms that we agree upon may not be favorable to us, and we may not be able to maintain such collaborations if, for example, development or approval of a product candidate is delayed, the safety of a product candidate is questioned or sales of an approved product candidate are unsatisfactory.

In addition, any potential future collaborations may be terminable by our strategic partners, and we may not be able to adequately protect our rights under these agreements. Furthermore, strategic partners may negotiate for certain rights to control decisions regarding the development and commercialization of our product candidates, if approved, and may not conduct those activities in the same manner as we do. Any termination of collaborations that we may enter into in the future, or any delay in entering into collaborations related to our product candidates, could delay the development and commercialization of our product candidates and reduce their competitiveness if they reach the market, which could have a material adverse effect on our business, financial condition and results of operations.

Risks Related to Our Business and Industry

Our operating results may fluctuate significantly, which makes our future operating results difficult to predict and could cause our operating results to fall below expectations or any guidance we may provide.

Our quarterly and annual operating results may fluctuate significantly, which makes it difficult for us to predict our future operating results. These fluctuations may occur due to a variety of factors, many of which are outside of our control, including, but not limited to:

- the timing, degree of success and cost of, and level of investment in, research, development, regulatory approval and commercialization activities relating to our product candidates, which may change from time to time;

- coverage and reimbursement policies with respect to our product candidates, if approved, and potential future drugs that compete with our products;
- the cost of manufacturing our product candidates, which may vary depending on the quantity of production;
- expenditures that we may incur to acquire, develop or commercialize additional product candidates and technologies;
- the level of demand for any approved products, which may vary significantly;
- future accounting pronouncements or changes in our accounting policies; and
- the timing and success or failure of preclinical studies or clinical trials for our product candidates or competing product candidates, or any other change in the competitive landscape of our industry, including consolidation among our competitors or partners.

The cumulative effects of these factors could result in large fluctuations and unpredictability in our quarterly and annual operating results. As a result, comparing our operating results on a period-to-period basis may not be meaningful. Investors should not rely on our past results as an indication of our future performance. This variability and unpredictability could also result in our failing to meet the expectations of industry or financial analysts or investors for any period. If our revenue or operating results fall below the expectations of analysts or investors or below any forecasts we may provide to the market, or if the forecasts we provide to the market are below the expectations of analysts or investors, the price of our common stock could decline substantially. Such a stock price decline could occur even when we have met any previously publicly stated revenue or earnings guidance we may provide.

We are heavily dependent on the success of our product candidates in our core programs, and if any of these product candidates fail to enter clinical trials, receive regulatory approval or are not successfully commercialized, our business would be adversely affected.

We currently have no product candidates that are in late-stage clinical trials or are approved for commercial sale, and we may never be able to develop a marketable product. We have only one product candidate, RT-101, in clinical development. We expect that a substantial portion of our efforts and expenditures over the next few years will be devoted to the development of the RaniPill platform that is designed to enable the oral administration of a broad range of biologics used to treat multiple diseases and disorders. Our initial goal is to evaluate the safety of the RaniPill capsule independent of any biologic. The RaniPill capsule may not receive regulatory approval in connection with any biologic or, if approved, it may not be successfully commercialized. The research, testing, manufacturing, labeling, approval, sale, marketing and distribution of the RaniPill capsule for the indications we are seeking will remain subject to extensive regulation by the FDA and comparable foreign regulatory authorities in the United States and other countries, each of which has differing regulations. In addition, even if approved, pricing and reimbursement will be subject to further review and discussions with payors. We are not permitted to market any product candidate in the United States until after approval of a BLA from the FDA, or a similar marketing authorization from comparable authorities in any foreign countries until after approval of a marketing application by corresponding foreign regulatory authorities. We completed a Phase 1 clinical trial of our most advanced product candidate, RT-101, and have completed preclinical studies of RT-105, RT-102, RT-108, RT-103, and RT-106. We plan to initiate Phase 1 clinical trials of RT-102 and RT-109 in 2022 and RT-105 and RT-110 in 2023. We will need to conduct larger, more extensive clinical trials in the target patient populations for these product candidates and their indications to support a potential application for regulatory approval by the FDA or corresponding foreign regulatory authorities, and we do not expect to be in a position to do so for the near term.

We have not previously submitted a BLA to the FDA, or similar product approval filings to comparable foreign authorities, for any product candidate, and our product candidates may not be successful in clinical trials or receive regulatory approval. Filing an application and obtaining regulatory approval for a biologic product candidate is an extensive, lengthy, expensive and inherently uncertain process, and the regulatory authorities may delay, limit or deny approval of our product candidates for many reasons, including:

- we may not be able to demonstrate that any of our product candidates is safe and effective to the satisfaction of the FDA or comparable foreign regulatory authorities;
- the FDA or comparable foreign regulatory authorities may require additional preclinical studies or clinical trials prior to granting approval, which would increase our costs and extend the pre-approval development process;
- the results of our clinical trials may not meet the level of statistical or clinical significance required by the FDA or comparable foreign regulatory authorities for approval;
- the FDA or comparable foreign regulatory authorities may disagree with the number, design, size, conduct or statistical analysis of one or more of our clinical trials;
- the FDA or comparable foreign regulatory authorities may disagree with, or not accept, our interpretation of data from our preclinical studies and clinical trials;
- the FDA or comparable foreign regulatory authorities may identify deficiencies in our manufacturing processes or facilities which would be required to be corrected prior to regulatory approval;
- the success or further approval of competitor products approved in indications in which we undertake development of our product candidates may change the standard of care or change the standard for approval of our product candidate in our proposed indications; and
- the FDA or comparable foreign regulatory authorities may change their approval policies or adopt new regulations.

Our product candidates will require additional research, clinical development, manufacturing activities, regulatory approval in multiple jurisdictions (if regulatory approval can be obtained at all), securing sources of commercial manufacturing supply and building of or partnering with a commercial organization. Our planned clinical trials for the RaniPill platform may not be initiated or completed in a timely manner or successfully, or at all. Further we may not advance any other product candidates into clinical trials. Moreover, any delay or setback in the development of any product candidate would be expected to adversely affect our business and cause our stock price to fall.

We may not be successful in our efforts to use and expand our proprietary RaniPill platform to build a pipeline of product candidates.

A key element of our strategy is to leverage the RaniPill platform to expand our pipeline of product candidates and in order to do so, we must continue to invest in the RaniPill platform and development capabilities. Although our research and development efforts to date have resulted in a pipeline of our core product candidates, these product candidates may not be safe and effective and may not obtain regulatory approval. In addition, although we plan to develop the RaniPill platform to deliver a diverse pipeline of product candidates across multiple diseases and disorders, we may not prove to be successful at doing so. Furthermore, we may also find that the uses of the RaniPill platform are limited because alternative uses of our biologics prove not to be safe or effective. Even if we are successful in continuing to build our pipeline, the potential product

candidates that we identify may not be suitable for clinical development, including as a result of being shown to have harmful side effects or other characteristics that indicate that they are unlikely to be products that will receive marketing approval or achieve market acceptance. Even after approval, if we cannot successfully develop or commercialize our products, or if serious adverse events are discovered after commercialization, we will not be able to generate any product revenue, which would adversely affect business.

Changes in regulatory requirements and guidance may also occur and we may need to amend clinical trial protocols submitted to applicable regulatory authorities to reflect these changes. Amendments may require us to resubmit clinical trial protocols to IRBs or ECs for re-examination, which may impact the costs, timing or successful completion of a clinical trial.

The policies of the FDA and comparable foreign regulatory authorities may change, and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our current or any of our future product candidates. We cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative 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, which would harm our business, prospects, financial condition and results of operations.

If we are required to conduct additional clinical trials or other preclinical studies with respect to our current or future product candidates, or if we are unable to successfully complete our preclinical studies or planned clinical trials, we may be delayed in obtaining regulatory approval of our current or any of our future product candidates, we may not be able to obtain regulatory approval at all or we may obtain approval for indications that do not provide a broad commercial opportunity. Our product development costs will also increase if we experience delays in testing or approvals, and we may not have sufficient funding to complete the testing and approval process for our current or any of our future product candidates. Significant clinical trial delays could allow our competitors to bring products to market before we do and impair our ability to commercialize our products if and when approved. If any of this occurs, our business would be harmed.

All of our product candidates, except for RT-101, are in research or preclinical development and have not entered into clinical trials. If we are unable to develop, test and commercialize our product candidates, our business will be adversely affected.

As part of our strategy, we seek to discover, develop and commercialize a portfolio of product candidates that deliver different biologics through the RaniPill capsule. Research programs to identify appropriate biological targets and product candidates require substantial scientific, technical, financial and human resources, whether or not any product candidates are ultimately identified. Our research programs may initially show promise in identifying potential product candidates, yet fail to yield product candidates for clinical development for many reasons, including:

- our financial and internal resources are insufficient;
- our research methodology used may not be successful in identifying potential product candidates;
- competitors may develop alternatives that render our product candidates uncompetitive;
- our product candidates may be shown to have harmful side effects or other characteristics that indicate such product candidate is unlikely to be effective or otherwise unlikely to achieve applicable regulatory approval;
- our product candidates may not be capable of being produced in commercial quantities at an acceptable cost, or at all; or

- our product candidates may not be accepted by patients, the medical community, healthcare providers or third-party payors.

Our proprietary RaniPill platform may not result in any products of commercial value.

We have developed a proprietary platform designed to enable the administration of biologics previously only administrable by subcutaneous or IV injection, and this approach forms the basis of our overall development strategy for all of our product candidates.

For multiple reasons, the RaniPill platform may not ultimately be commercially valuable, including:

- the RaniPill platform may not work in conjunction with our targeted biologic indications or future indications to yield product candidates that can enter clinical development;
- we may not be successful in our efforts to expand the applicability of the RaniPill platform beyond our current product pipeline;
- we may not be able to enter into licensing or partnership agreements on suitable terms to obtain and develop oral versions of biologics; and
- the medical community may not accept the RaniPill platform and physicians may not prescribe our products to patients, if approved.

In addition, we have designed our platform to be drug-agnostic, which we believe could enable us to expand into additional markets beyond our current pipeline. While our research and development efforts support the use of the peptides and antibodies we have evaluated to date for inclusion in the RaniPill capsule, there could be molecules that are unable to be inserted in the RaniPill capsule, whether as a result of payload capacity, mechanism of action, or otherwise, the result of which would significantly harm our product candidates' commercial potential.

Furthermore, the product candidates contemplated by our current product pipeline were designed with needles that have the ability to deliver 3.0 to 3.5mg of a biologic, which we refer to as payload capacity. We are aware of biologics that require a dose of nearly 100.0mg in order to be effective, such as oncology biologics and certain other cell therapies. While we plan to develop a needle with a payload capacity of up to 30.0mg, which could enable us to expand our platform to include additional molecules, we may still be precluded from using certain high load biologics for inclusion in the RaniPill capsule, which could adversely affect the commercial potential of the RaniPill platform. Additionally, to the extent we are able to develop a needle with a larger payload capacity, we may be required to conduct additional preclinical or clinical studies to establish performance characteristics of the updated design, and for regulatory authorities to permit evaluation of the updated design in human subjects.

As a result of any one of these factors, our business, financial condition and results of operations could be adversely affected.

If product liability lawsuits are brought against us, we may incur substantial liabilities and may be required to limit commercialization of any of our product candidates, if approved.

We face an inherent risk of product liability as a result of the clinical testing of our product candidates and will face an even greater risk if we commercialize any products. For example, we may be sued if any product we develop allegedly causes injury or is found to be otherwise unsuitable during product testing, manufacturing, marketing or sale. Any such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability and a breach of

warranties. Claims could also be asserted under state consumer protection acts. If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to stop development or, if approved, limit commercialization of our product candidates. Even successful defense would require significant financial and management resources. Regardless of the merits or eventual outcome, liability claims may result in:

- delay or termination of clinical studies;
- injury to our reputation;
- withdrawal of clinical trial participants;
- initiation of investigations by regulators;
- costs to defend the related litigation;
- a diversion of management's time and our resources;
- substantial monetary awards to trial participants or patients;
- decreased demand for our product candidates;
- product recalls, withdrawals or labeling, marketing or promotional restrictions;
- loss of revenue from product sales; and
- the inability to commercialize any our product candidates, if approved.

Our inability to obtain and retain sufficient product liability insurance at an acceptable cost to protect against potential product liability claims could prevent or inhibit the development or commercialization of our product candidates. We currently carry $10.0 million in clinical trial liability insurance, which we believe is appropriate for our clinical trials. Although we maintain such insurance, any claim that may be brought against us could result in a court judgment or settlement in an amount that is not covered, in whole or in part, by our insurance or that is in excess of the limits of our insurance coverage. Our insurance policies also have various exclusions, and we may be subject to a product liability claim for which we have no coverage. We will have to pay any amounts awarded by a court or negotiated in a settlement that exceed our coverage limitations or that are not covered by our insurance, and we may not have, or be able to obtain, sufficient capital to pay such amounts.

The manufacture and packaging of biologics is subject to FDA requirements and those of comparable foreign regulatory authorities. If we or our third-party manufacturers fail to satisfy these requirements, our product development and commercialization efforts may be harmed.

The manufacture and packaging of biologics is regulated by the FDA and comparable foreign regulatory authorities and must be conducted in accordance with the FDA's cGMP and comparable requirements of foreign regulatory authorities. There are a limited number of manufacturers that operate under these cGMP regulations who are both capable of manufacturing biologics and willing to do so. Failure by us or our third-party manufacturers to comply with applicable regulations or requirements could result in sanctions being imposed on us, including fines, injunctions, civil penalties, failure of regulatory authorities to grant marketing approval of our products, delays, suspension or withdrawal of approvals, seizures or voluntary recalls of product, operating restrictions and criminal prosecutions, any of which could harm our business. Our product candidates require aseptic manufacturing techniques that may present additional manufacturing challenges compared to other oral route of administration products. The same requirements and risks are applicable to the suppliers of the key raw material used to manufacture the active pharmaceutical ingredient, or API, for the biologics of our product candidates.

Manufacturers of combination products need to comply with both pharmaceutical cGMPs and medical device QSRs enforced by the FDA through its facilities inspection programs. These requirements include, among other things, quality control, quality assurance and the maintenance of records and documentation. Manufacturers of our product candidates may be unable to comply with these cGMP and QSR requirements and with other FDA and foreign regulatory requirements. A failure to comply with these requirements may result in fines and civil penalties, suspension of production, suspension or delay in product approval, product seizure or recall, or withdrawal of product approval. If the safety of any of our product candidates is compromised due to failure to adhere to applicable laws or for other reasons, we may not be able to successfully commercialize such product candidate, and we may be held liable for any injuries sustained as a result. Any of these factors could cause a delay in the commercialization of our product candidates, entail higher costs or even prevent us from effectively commercializing our product candidates.

Changes in the manufacturing process or procedure, including a change in the location where the product is manufactured or a change of a third-party manufacturer, may require prior FDA review and approval of the manufacturing process and procedures in accordance with the FDA's cGMPs and QSRs. Any new facility is subject to a pre-approval inspection by the FDA and would again require us to demonstrate product comparability to the FDA. We would also need to verify, such as through a manufacturing comparability study, that any new manufacturing process would produce our product candidate according to the specifications previously submitted to the FDA, and there are comparable foreign requirements. The delays associated with the verification of a new third party manufacturer could negatively affect our ability to develop product candidates or commercialize our products in a timely manner or within budget. This review may be costly and time consuming and could delay or prevent the launch of a product.

Furthermore, in order to obtain approval of our product candidates by the FDA and comparable foreign regulatory authorities, we will be required to consistently produce our formulation of the API, and the finished product in commercial quantities and of specified quality on a repeated basis and document our ability to do so. This requirement is referred to as process validation. Each of our potential API suppliers will likely use a different method to manufacture API, which has the potential to increase the risk to us that our manufacturers will fail to meet applicable regulatory requirements. We also need to complete process validation on the finished product in the packaging we propose for commercial sales. This includes testing of stability, measurement of impurities and testing of other product specifications by validated test methods. If the FDA does not consider the result of the process validation or required testing to be satisfactory, we may not obtain approval to launch the product or approval, launch or commercial supply after launch may be delayed.

The FDA and comparable foreign regulatory authorities may also implement new requirements, or change their interpretation and enforcement of existing requirements, for manufacture, packaging or testing of products at any time. If we are unable to comply, we may be subject to regulatory actions, civil actions or penalties which could harm our business.

We may be subject, directly or indirectly, to federal and state healthcare fraud and abuse laws, false claims laws health information privacy and security laws, and other healthcare laws and regulations. If we are unable to comply, or have not fully complied, with such laws, we could face substantial penalties. Healthcare providers and third-party payors will play a primary role in the recommendation and prescription of any product candidates for which we obtain marketing approval. Our arrangements with third-party payors and customers may expose us to broadly applicable fraud and abuse and other healthcare laws and regulations that may affect the business or financial arrangements and relationships through which we would market, sell and distribute our products. Even though we do not and will not control referrals of healthcare services or bill directly to Medicare, Medicaid or other third-party payors, federal and state healthcare laws and regulations pertaining to fraud and abuse and patients' rights are and will be applicable to our business. The laws that may affect our ability to operate include, but are not limited to:

- the federal Anti-Kickback Statute, which prohibits, among other things, persons and entities from knowingly and willfully soliciting, receiving, offering, or paying remuneration, directly or

indirectly, in cash or in kind, in exchange for or to induce 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 a federal healthcare programs such as Medicare and Medicaid. A person or entity does not need to have actual knowledge of this statute or specific intent to violate it in order to have committed a violation. On December 2, 2020, the OIG, published further modifications to the federal Anti-Kickback Statute. Under the final rules, OIG added safe harbor protections under the Anti-Kickback Statute for certain coordinated care and value-based arrangements among clinicians, providers, and others. This rule (with exceptions) became effective January 19, 2021;

- the federal false claims and civil monetary penalties laws, including the False Claims Act, which can be enforced through civil whistleblower or qui tam actions, impose criminal and civil penalties against individuals or entities for knowingly presenting, or causing to be presented, to the federal government, claims for payment that are false, fictitious, or fraudulent; knowingly making, using, or causing to be made or used, a false record or statement to get a false or fraudulent claim paid or approved by the government; or knowingly making, using, or causing to be made or used, a false record or statement to avoid, decrease or conceal an obligation to pay money to the federal government. In addition, the government may assert that a claim including items and services resulting from a violation of the federal Anti-Kickback Statute constitutes a false of fraudulent claim for purposes of the False Claims Act. Manufacturers can be held liable under the federal False Claims Act even when they do not submit claims directly to government payors if they are deemed to “cause” the submission of false or fraudulent claims

- HIPAA, which created new federal criminal statutes that prohibit a person or entity from, 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 the payor (e.g., public or private) and knowingly and willfully falsifying, concealing or covering up by any trick or device a material fact or making any materially false, fictitious, or fraudulent statements or representations in connection with the delivery of, or payment for, healthcare benefits, items or services relating to healthcare matters. Similar to the federal Anti-Kickback Statute, 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;

- HIPAA, as amended by HITECH, and their implementing regulations, which also imposes obligations, including mandatory contractual terms, on “covered entities,” including certain healthcare providers, health plans, and healthcare clearinghouses, and their respective “business associates” that create, receive, maintain or transmit individually identifiable health information for or on behalf of a covered entity as well as their covered subcontractors with respect to safeguarding the privacy, security and transmission of individually identifiable health information. HITECH also created new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties 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;

- the federal civil monetary penalties statute, which prohibits, among other things, the offering or giving of remuneration to a Medicare or Medicaid beneficiary that the person knows or should know is likely to influence the beneficiary’s selection of a particular supplier of items or services reimbursable by a Federal or state governmental program;

- the federal Physician Payment Sunshine Act, which requires certain manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid

or the Children's Health Insurance Program (with certain exceptions) to report annually to the government information related to certain payments and other "transfers of value" made to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors) and teaching hospitals, and requires applicable manufacturers to report annually to the government ownership and investment interests held by the physicians described above and their immediate family members and payments or other "transfers of value" to such physician owners. Beginning in 2022, applicable manufacturers also will be required to report such information regarding its payments and other transfers of value during the previous year to physician assistants, nurse practitioners, clinical nurse specialists, anesthesiologist assistants, certified registered nurse anesthetists and certified nurse midwives; and

- analogous state and foreign laws and regulations, such as state anti-kickback and false claims laws, which may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by any third-party payor, including commercial 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 federal government, or otherwise restrict payments that may be made to healthcare providers and other potential referral sources; and 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 state and foreign laws governing the privacy and security of health information in some circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts.

Further, in March 2010, the ACA, among other things, amended the intent requirements of the federal Anti-Kickback Statute and certain criminal statutes governing healthcare fraud. A person or entity can now be found guilty of violating the statute without actual knowledge of the statute or specific intent to violate it. In addition, the ACA provided that the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act. Moreover, while we do not submit claims and our customers make the ultimate decision on how to submit claims, from time to time, we may provide reimbursement guidance to our customers. If a government authority were to conclude that we provided improper advice to our customers or encouraged the submission of false claims for reimbursement, we could face action against us by government authorities. Any violations of these laws, or any action against us for violation of these laws, even if we successfully defend against it, could result in a material adverse effect on our reputation, business, results of operations and financial condition.

The scope and enforcement of each of these laws is uncertain and subject to rapid change in the current environment of healthcare reform. Federal and state enforcement bodies have continued their scrutiny of interactions between healthcare companies and healthcare providers, which has led to a number of investigations, prosecutions, convictions and significant settlements in the healthcare industry. Responding to investigations can be time-and resource-consuming and can divert management's attention from the business. Additionally, as a result of these investigations, healthcare providers and entities may have to agree to additional onerous compliance and reporting requirements as part of a consent decree or corporate integrity agreement. Any such investigation or settlement could increase our costs or otherwise have an adverse effect on our business.

If our operations are found to be in violation of any of these laws or any other governmental laws and regulations that may apply to us, we, or our directors, officers, employees, independent contractors, and/or agents, may be subject to significant civil, criminal and administrative penalties, damages, fines, disgorgement, imprisonment, exclusion from government funded healthcare programs, such as Medicare and Medicaid, contractual damages, reputational harm, diminished profits and the curtailment or restructuring of our operations. If any of the physicians or other healthcare providers or entities with whom we expect to do business is found to be not in compliance with applicable laws, they may be subject to criminal, civil or administrative sanctions, including exclusions from government funded healthcare programs.

Recently enacted and future legislation may increase the difficulty and cost for us to obtain marketing approval of and commercialize our product candidates and affect the prices we may obtain.

In the United States and some foreign jurisdictions, there have been, and we expect there will continue to be, a number of legislative and regulatory changes and proposed changes regarding the healthcare system that could, among other things, prevent or delay marketing approval of our product candidates, restrict or regulate post-approval activities and affect our ability to profitably sell any product candidates for which we obtain marketing approval.

For example, in the United States in March 2010, the ACA was enacted to increase access to health insurance, reduce or constrain the growth of healthcare spending, enhance remedies against fraud and abuse, add new transparency requirements for health care and the health insurance industries, impose new taxes and fees on the health industry and impose additional health policy reforms. The law has continued the downward pressure on pharmaceutical pricing, especially under the Medicare program, and increased the industry's regulatory burdens and operating costs. Among the provisions of the ACA of importance to our potential product candidates are the following:

- an annual, non-tax deductible fee payable by any entity that manufactures or imports specified branded prescription drugs and biologic agents payable to the federal government based on each company's market share of prior year total sales of branded products to certain federal healthcare programs;
- an increase in the statutory minimum rebates a manufacturer must pay under the Medicaid Drug Rebate Program;
- a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected;
- extension of manufacturers' Medicaid rebate liability to individuals enrolled in Medicaid managed care organizations;
- expansion of eligibility criteria for Medicaid programs in certain states;
- a new Medicare Part D coverage gap discount program, in which manufacturers must now agree to offer 50% (increased to 70% pursuant to the Bipartisan Budget Act of 2018, effective as of January 1, 2019) point-of-sale discounts off negotiated prices of applicable brand drugs to eligible beneficiaries under their coverage gap period, as a condition for the manufacturer's outpatient drugs to be covered under Medicare Part D;
- expansion of the entities eligible for discounts under the Public Health Service pharmaceutical pricing program;
- a new requirement to annually report drug samples that manufacturers and distributors provide to physicians; and
- a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research.

There have been executive, judicial and Congressional challenges to certain aspects of the ACA. While Congress has not passed comprehensive repeal legislation, several bills affecting the implementation of certain taxes under the ACA have been signed into law. For example, the Tax Cuts and Jobs Act of 2017, or Tax Act, included a provision that decreased the tax-based shared responsibility payment imposed by the ACA on certain

individuals who fail to maintain qualifying health coverage for all or part of a year, commonly referred to as the "individual mandate," to $0, effective January 1, 2019. On December 14, 2018, a federal district court in Texas ruled the individual mandate is a critical and inseverable feature of the ACA, and therefore, because it was repealed as part of the Tax Act, the remaining provisions of the ACA are invalid as well. On December 18, 2019, the Fifth Circuit U.S. Court of Appeals held that the individual mandate is unconstitutional, and remanded the case to the lower court to reconsider its earlier invalidation of the full ACA. The United States Supreme Court is currently reviewing this case, although it is unclear when a decision will be made or how the Supreme Court will rule. On February 10, 2021, the Biden administration withdrew the federal government's support for overturning the ACA. Further, although the Supreme Court has not yet ruled on the constitutionality of the ACA, President Biden issued an executive order to initiate a special enrollment period for purposes of obtaining health insurance coverage through the ACA marketplace, which began February 15, 2021 and will remain open through August 15, 2021. The executive order also instructed certain governmental agencies to review and reconsider their existing policies and rules that limit access to healthcare, including among others, reexamining Medicaid demonstration projects and waiver programs that include work requirements, and policies that create unnecessary barriers to obtaining access to health insurance coverage through Medicaid or the ACA. It is unclear how the Supreme Court ruling, other such litigation and the healthcare reform measures of the Biden administration will impact the ACA.

In addition, other legislative changes have been proposed and adopted in the United States since the ACA was enacted. These changes included aggregate reductions to Medicare payments to providers of 2% per fiscal year, which went into effect in April 2013 and, due to subsequent legislative amendments to the statute, will remain in effect through 2030 unless additional action is taken by Congress. However, the Medicare sequester reductions under the Budget Control Act of 2011 have been suspended from May 1, 2020 through December 31, 2021 due to the COVID-19 pandemic. 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 and increased the statute of limitations period in which the government may recover overpayments to providers from three to five years. In addition, recently there has been heightened governmental scrutiny over the manner in which drug manufacturers set prices for their commercial products. At the federal level, the former Trump administration used several means to propose or implement drug pricing reform, including through federal budget proposals, executive orders and policy initiatives. It is unclear whether the Biden administration will work to reverse these measures or pursue similar policy initiatives. Individual states in the United States have also become increasingly aggressive in passing legislation and implementing regulations designed to control drug pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures. The implementation of cost containment measures or other healthcare reforms may prevent us from being able to generate revenue, attain profitability, or commercialize our product candidates, if approved.

We expect that additional state and federal healthcare reform measures will be adopted in the future, particularly in light of the new presidential administration, any of which could limit the amounts that federal and state governments will pay for healthcare therapies, which could result in reduced demand for our product candidates or additional pricing pressures.

Legislative and regulatory proposals have also been made to expand post-approval requirements and restrict sales and promotional activities for pharmaceutical products. We cannot be sure whether additional legislative changes will be enacted, or whether the FDA regulations, guidance or interpretations will be changed, or what the impact of such changes on the marketing approvals of our product candidates, if any, may be. In addition, increased scrutiny by the U.S. Congress of the FDA's approval process may significantly delay or prevent marketing approval, as well as subject us to more stringent product labeling and post-marketing testing and other requirements. Further, it is possible that additional governmental action is taken in response to the COVID-19 pandemic.

Governments outside the United States tend to impose strict price controls, which may adversely affect our revenues, if any.

In some countries, the pricing of prescription pharmaceuticals is subject to governmental control. In these countries, pricing negotiations with governmental authorities can take considerable time after the receipt of marketing approval for a product candidate. In addition, there can be considerable pressure by governments and other stakeholders on prices and reimbursement levels, including as part of cost containment measures. Political, economic and regulatory developments may further complicate pricing negotiations, and pricing negotiations may continue after coverage and reimbursement have been obtained. Reference pricing used by various countries and parallel distribution or arbitrage between low-priced and high-priced countries, can further reduce prices. To obtain reimbursement or pricing approval in some countries, we may be required to conduct a clinical trial that compares the cost-effectiveness of our product candidate to other available therapies, which is time-consuming and costly. If coverage and reimbursement of our product candidates are unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels, our business could be harmed, possibly materially.

Our future success depends on our ability to retain our executive officers and to attract, retain and motivate highly qualified personnel. If we are not successful in attracting and retaining highly qualified personnel, we may not be able to successfully implement our business strategy.

Our industry has experienced a high rate of turnover of management personnel in recent years. Our ability to compete in the highly competitive biotherapeutics and pharmaceuticals industries depends upon our ability to attract and retain highly qualified managerial, scientific, medical, engineering and regulatory personnel. We are highly dependent on our founder and Executive Chairman, Mir Imran, and our existing senior management team, especially Talat Imran, our Chief Executive Officer, Mir Hashim, our Chief Scientific Officer, Svai Sanford, our Chief Financial Officer and Stephanie McGrory, our Vice President of Business Development. We are not aware of any present intention of any of these individuals to leave us. All of our employees may terminate their employment with us at any time, with or without notice. In addition, we manufacture the RaniPill capsule internally. As a result, we rely and will continue to rely on highly qualified manufacturing personnel to manufacture the RaniPill capsule. The loss of the services of any of our executive officers or other key employees and our inability to find suitable replacements would harm our manufacturing efforts as well as our business, financial condition and prospects. Our success depends on our ability to continue to attract, retain and motivate highly skilled and experienced personnel with scientific, medical, regulatory, manufacturing and management training and skills.

We may not be able to attract or retain qualified personnel in the future due to the intense competition for a limited number of qualified personnel among biotherapeutics, biotechnology, pharmaceutical and other businesses. Many of the other biopharmaceutical companies that we compete against for qualified personnel have greater financial and other resources, different risk profiles and a longer history in the industry than we do. Our competitors may provide higher compensation or more diverse opportunities and better opportunities for career advancement. Any or all of these competing factors may limit our ability to continue to attract and retain high quality personnel, which could negatively affect our ability to successfully develop and commercialize product candidates and to grow our business and operations as currently contemplated.

We will need to expand the size of our organization, and we may experience difficulties in managing this growth.

As of March 31, 2021, we had 71 full-time employees. As our development and commercialization plans and strategies develop and we operate as a public company, we expect to need additional managerial, operational, scientific, sales, marketing, development, regulatory, manufacturing, financial and other resources. Future growth would impose significant added responsibilities on members of management, including:

- designing and managing our clinical trials effectively;

- identifying, recruiting, maintaining, motivating and integrating additional employees;
- managing our manufacturing and development efforts effectively;
- improving our managerial, development, operational and financial systems and controls; and
- expanding our facilities.

As our operations expand, we expect that we will need to manage relationships with our partners, suppliers, vendors and other third parties. Our future financial performance and our ability to develop and commercialize our product candidates and to compete effectively will depend, in part, on our ability to manage any future growth effectively. We may not be successful in accomplishing these tasks in growing our company, and our failure to accomplish any of them could adversely affect our business and operations.

If we do not achieve our projected development and commercialization goals in the timeframes we announce and expect, the commercialization of our product candidates may be delayed, and our business will be harmed.

We estimate for planning purposes the timing of the accomplishment of various scientific, clinical, regulatory and other product development objectives. These milestones may include our expectations regarding the commencement or completion of scientific studies, clinical trials, the submission of regulatory filings, or commercialization objectives. From time to time, we may publicly announce the expected timing of some of these milestones, such as the completion of an ongoing clinical trial, the initiation of other clinical programs, receipt of marketing approval, or a commercial launch of a product. The achievement of many of these milestones may be outside of our control. All of these milestones are based on a variety of assumptions which may cause the timing of achievement of the milestones to vary considerably from our estimates, including:

- our available capital resources or capital constraints we experience;
- the rate of progress, costs and results of our clinical trials and research and development activities, including the extent of scheduling conflicts with participating clinicians and collaborators, and our ability to identify and enroll patients who meet clinical trial eligibility criteria;
- our receipt of approvals by the FDA and comparable foreign regulatory authorities and the timing thereof;
- other actions, decisions or rules issued by regulators;
- our ability to access sufficient, reliable and affordable supplies of compounds used in the manufacture of our product candidates;
- the ability of our suppliers to reliably provide the quantity of materials needed to manufacture and commercialize our products;
- the non-occurrence of adverse events or serious adverse events in preclinical studies or clinical trials of our product candidates;
- the efforts of our collaborators and the success of our own efforts with respect to the commercialization of our products; and
- the securing of, costs related to, and timing issues associated with, product manufacturing, including scale and automation processes, as well as sales and marketing activities.

If we fail to achieve announced milestones in the timeframes we announce and expect, the commercialization of our product candidates may be delayed and our business and results of operations may be harmed.

We may engage in strategic transactions that could impact our liquidity, increase our expenses and present significant distractions to our management.

From time to time, we may consider strategic transactions, such as acquisitions of companies, asset purchases and out-licensing or in-licensing of intellectual property, products or technologies. Any future transactions could increase our near and long-term expenditures, result in potentially dilutive issuances of our equity securities, including our common stock, or the incurrence of debt, contingent liabilities, amortization expenses or acquired in-process research and development expenses, any of which could affect our financial condition, liquidity and results of operations. Additional potential transactions that we may consider in the future include a variety of business arrangements, including spin-offs, strategic partnerships, joint ventures, restructurings, divestitures, business combinations and investments. Future acquisitions may also require us to obtain additional financing, which may not be available on favorable terms or at all. These transactions may never be successful and may require significant time and attention of management. In addition, the integration of any business that we may acquire in the future may disrupt our existing business and may be a complex, risky and costly endeavor for which we may never realize the full benefits of the acquisition. Accordingly, although we may not undertake or successfully complete any additional transactions of the nature described above, any additional transactions that we do complete could have a material adverse effect on our business, results of operations, financial condition and prospects.

Our insurance policies are expensive and only protect us from some business risks, which will leave us exposed to significant uninsured liabilities.

We do not carry insurance for all categories of risk that our business may encounter. Some of the policies we currently maintain include products and completed operations liability, business personal property and directors' and officers' insurance. We do not know, however, if we will be able to maintain insurance with adequate levels of coverage. Any significant uninsured liability may require us to pay substantial amounts, which would adversely affect our financial position and results of operations.

If we fail to comply with environmental, health and safety laws and regulations, we could become subject to fines or penalties or incur costs that could have a material adverse effect on the success of our business.

We are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. Our operations involve the use of hazardous and flammable materials, including chemicals and biological materials. Our operations also produce hazardous waste products. We generally contract with third parties for the disposal of these materials and wastes. We cannot eliminate the risk of contamination or injury from these materials. In the event of contamination or injury resulting from our use of hazardous materials, we could be held liable for any resulting damages, and any liability could exceed our resources. We also could incur significant costs associated with civil or criminal fines and penalties.

Although we maintain workers' compensation insurance to cover us for costs and expenses, we may incur due to injuries to our employees resulting from the use of hazardous materials or other work-related injuries, this insurance may not provide adequate coverage against potential liabilities. In addition, we may incur substantial costs in order to comply with current or future environmental, health and safety laws and regulations. These current or future laws and regulations may impair our research, development or production efforts. Failure to comply with these laws and regulations also may result in substantial fines, penalties or other sanctions.

Our employees, independent contractors, principal investigators, consultants and vendors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements, which could have a material adverse effect on our business.

We are exposed to the risk that our employees, independent contractors, principal investigators, consultants and vendors may engage in fraudulent conduct or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to us that violates: (i) FDA laws and regulations or those of comparable foreign regulatory authorities, including those laws that require the reporting of true, complete and accurate information to the FDA, (ii) manufacturing standards, (iii) federal and state data privacy, security, fraud and abuse and other healthcare laws and regulations established and enforced by comparable foreign regulatory authorities, or (iv) laws that require the true, complete and accurate reporting of financial information or data. Activities subject to these laws also involve the improper use or misrepresentation of information obtained in the course of clinical trials, creating fraudulent data in our preclinical studies or clinical trials or illegal misappropriation of drug product, which could result in regulatory sanctions and cause serious harm to our reputation. It is not always possible to identify and deter misconduct by employees and 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 and results of operations, including the imposition of significant fines or other sanctions.

Our headquarters and certain of our data storage facilities are located near known earthquake fault zones. The occurrence of an earthquake, fire or any other catastrophic event could disrupt our operations or the operations of third parties who provide vital support functions to us, which could have a material adverse effect on our business and financial condition.

We and some of the third-party service providers on which we depend for various support functions, such as data storage, are vulnerable to damage from catastrophic events, such as power loss, natural disasters, terrorism and similar unforeseen events beyond our control. Our corporate headquarters is located in San Jose, which in the past has experienced severe earthquakes and fires.

We do not carry earthquake insurance. Earthquakes or other natural disasters could severely disrupt our operations, and have a material adverse effect on our business, results of operations, financial condition and prospects.

If a natural disaster, power outage or other event occurred that prevented us from using all or a significant portion of our headquarters, damaged critical infrastructure, such as our data storage facilities or financial systems, or that otherwise disrupted operations, it may be difficult or, in certain cases, impossible for us to continue our business for a substantial period of time. We do not have a disaster recovery and business continuity plan in place. We may incur substantial expenses as a result of the absence or limited nature of our internal or third-party service provider disaster recovery and business continuity plans, which, particularly when taken together with our lack of earthquake insurance, could have a material adverse effect on our business. Furthermore, integral parties in our supply chain are operating from single sites, increasing their vulnerability to natural disasters or other sudden, unforeseen and severe adverse events. If such an event were to affect our supply chain, it could have a material adverse effect on our development plans and business.

Changes in funding for the FDA and other government agencies could hinder their ability to hire and retain key leadership and other personnel, or otherwise prevent new products and services from being developed or commercialized in a timely manner, which could negatively impact our business.

The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, ability to hire and retain key personnel and accept the payment of user fees, and statutory, regulatory, and policy changes. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of other government agencies that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable.

Disruptions at the FDA and other agencies may also slow the time necessary for new drugs to be reviewed and/or approved by necessary government agencies, which would adversely affect our business. For example, over the last several years, including for 35 days beginning on December 22, 2018, the U.S. government has shut down several times and certain regulatory authorities, such as the FDA, have had to furlough critical FDA employees and stop critical activities. If a prolonged government shutdown occurs, it could significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business.

Since March 2020 when foreign and domestic inspections were largely placed on hold, the FDA has been working to resume routine surveillance, bioresearch monitoring and pre-approval inspections to prioritized basis and may experience delays in their regulatory activities. The FDA has developed a rating system to assist in determining when and where it is safest to conduct prioritized domestic inspections and resumed inspections in China and India in 2021. In April 2021, the FDA issued guidance for industry formally announcing plans to employ remote interactive evaluations, using risk management methods, to meet user fee commitments and goal dates. Should FDA determine that an inspection is necessary for approval and inspection cannot be completed during the review cycle due to restrictions on travel, and the FDA does not determine a remote interaction evaluation to be appropriate, the agency has stated that it generally intends to issue a complete response letter. Further, if there is an inadequate information to make a determination on the acceptability of a facility, FDA may defer action on the application until an inspection can be completed. In 2020, several companies announced receipt of complete response letters due to the FDA's inability to complete required inspections for their applications. Regulatory authorities outside the United States may adopt similar restrictions or other policy measures in response to the COVID-19 pandemic. If a prolonged government shutdown occurs, or if global health concerns continue to prevent the FDA or comparable foreign regulatory authorities from conducting their regular inspections, reviews, or other regulatory activities, it could significantly impact the ability of the FDA or comparable foreign regulatory authorities to timely review and process our regulatory submissions, which could have a material adverse effect on our business.

The COVID-19 pandemic could adversely impact our business including our ongoing and planned preclinical studies and clinical trials.

Since COVID-19 surfaced in Fall 2019, the virus has spread to numerous countries, including the United States, resulting in the World Health Organization characterizing COVID-19 as a pandemic. As a result of the COVID-19 pandemic, we have experienced and may continue to experience delays in our preclinical and planned clinical development activities. The COVID-19 pandemic has and may continue to impact the Company's third-party manufacturers and suppliers, which could disrupt its supply chain or the availability or cost of materials. The effects of the public health directives and the Company's work-from-home policies may negatively impact productivity, disrupt its business, and delay clinical programs and timelines and future clinical trials, the magnitude of which will depend, in part, on the length and severity of the restrictions and other limitations on the Company's ability to conduct business in the ordinary course. These and similar, and perhaps more severe, disruptions in the Company's operations could negatively impact business, results of operations and financial condition, including its ability to obtain financing. The extent to which the COVID-19 pandemic will impact our business will depend on future developments, which are highly uncertain and cannot be predicted, such as the continued geographic spread of the disease, the duration of the pandemic, travel restrictions and

social distancing in the United States and other countries, business closures or business disruptions, and the effectiveness of actions taken in the United States and other countries to contain and treat the disease and to address its impact, including on financial markets or otherwise. As the COVID-19 pandemic continues, we could experience other disruptions that could severely impact our business, current and planned clinical trials and preclinical studies, including:

- inability of our management to travel in connection with establishing partnerships and collaborations;
- delays in receiving the supplies, materials and services needed to conduct preclinical studies and clinical trials;
- disruption of our access to capital in the global financial markets;
- delays or difficulties in enrolling patients in our planned Phase 1 clinical trials of RT-102, RT-109 and our other future clinical trials;
- delays or difficulties in clinical site initiation, including difficulties in recruiting clinical site investigators and clinical site staff;
- diversion of healthcare resources away from the conduct of clinical trials, including the diversion of hospitals serving as our clinical trial sites and hospital staff supporting the conduct of clinical trials;
- interruption of key clinical trial activities, such as clinical trial site monitoring, due to limitations on travel imposed or recommended by federal or state governments, employers and others or interruption of clinical trial subject visits and study procedures, which may impact the integrity of subject data and clinical study endpoints;
- limitations in resources, including our employees, that would otherwise be focused on the conduct of our business or our current or planned preclinical studies or clinical trials, including because of sickness, the desire to avoid contact with large groups of people or restrictions on movement or access to our facility as a result of government-imposed “shelter in place” or similar working restrictions;
- interruptions or delays in the operations of the FDA or comparable foreign regulatory authorities, which may impact review and approval timelines;
- changes in regulations as part of a response to the COVID-19 pandemic which may require us to change the ways in which our clinical trials are conducted, which may result in unexpected costs or require us to discontinue clinical trials altogether;
- interruptions or delays to our pipeline and research programs; and
- delays in necessary interactions with regulators, ethics committees and other important agencies and contractors due to limitations in employee resources or furlough of government or contractor personnel.

Further, as a result of the COVID-19 pandemic, the extent and length of which is uncertain, we may be required to develop and implement additional clinical trial policies and procedures designed to help protect trial participants from the COVID-19 virus, which may include using telemedicine visits, remote monitoring of patients and clinical sites, and measures to ensure that data from clinical trials that may be disrupted as a result of the pandemic are collected pursuant to the trial protocol and consistent with GCPs, with any material protocol deviation reviewed and approved by the site IRB. Patients who may miss scheduled appointments, any

interruption in trial drug supply, or other consequence that may result in incomplete data being generated during a trial as a result of the pandemic must be adequately documented and justified. For example, on March 18, 2020, the FDA issued a guidance on conducting clinical trials during the pandemic, which describe a number of considerations for sponsors of clinical trials impacted by the pandemic, including the requirement to include in the clinical trial report (or as a separate document) contingency measures implemented to manage the trial, and any disruption of the trial as a result of the COVID-19 pandemic; a list of all trial participants affected by the COVID-19-pandemic related trial disruption by unique subject identifier and by investigational site, and a description of how the individual's participation was altered; and analyses and corresponding discussions that address the impact of implemented contingency measures (e.g., participant discontinuation from investigational product and/or trial, alternative procedures used to collect critical safety and/or efficacy data) on the safety and efficacy results reported for the trial.

Further, the COVID-19 pandemic may impact patient enrollment in our planned future Phase 1 clinical trials. In particular, some sites may delay enrollment to focus on, and direct resources to, COVID-19, while at other sites, patients may choose not to enroll or continue participating in the clinical trial as a result of the pandemic. Potential patients in our planned clinical trials may choose to not enroll, not participate in follow-up clinical visits, or drop out of the trial as a precaution against contracting COVID-19. Further, some patients may not be able or willing to comply with clinical trial protocols if quarantines impede patient movement or interrupt healthcare services.

Additionally, three vaccines for COVID-19 were granted Emergency Use Authorization by the FDA in late 2020 and early 2021, and more are likely to be authorized in the coming months. The resultant demand for vaccines and potential for manufacturing facilities and materials to be commandeered under the Defense Production Act of 1950, or equivalent foreign legislation, may make it more difficult to obtain materials or manufacturing slots for the products needed for our planned clinical trials, which could lead to delays in these trials.

The spread of COVID-19 and actions taken to reduce its spread may also materially affect us economically. While the potential economic impact brought by, and the duration of, the COVID-19 pandemic may be difficult to assess or predict, there could be a significant disruption of global financial markets, reducing our ability to access capital, which could in the future negatively affect our liquidity and financial position. In addition, the trading prices for other companies have been highly volatile as a result of the COVID-19 pandemic. As a result, we may face difficulties raising capital through sales of our Class A common stock or such sales may be on unfavorable terms.

While the extent of the impact of the COVID-19 pandemic on our business and financial results is uncertain, a continued and prolonged public health crisis such as the COVID-19 pandemic could have a material negative impact on our business, financial condition, and operating results. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section.

Our internal computer systems, or those used by our third-party collaborators or other contractors or consultants, may fail or suffer security breaches.

Despite the implementation of security and back-up measures, our internal computer, server, and other information technology systems as well as those of our third-party collaborators, consultants, contractors, suppliers, and service providers, have and may continue to be vulnerable to damage from physical or electronic break-ins, computer viruses, malware, ransomware, natural disasters, terrorism, war, telecommunication and electrical failure, denial of service, and other cyberattacks or disruptive incidents that could result in unauthorized access to, use or disclosure of, corruption of, or loss of sensitive, and/ or proprietary data, including personal information, including health-related information, and could subject us to significant liabilities and regulatory and enforcement actions, and reputational damage. For example, the loss of clinical trial

data from completed or ongoing clinical trials could result in delays in any regulatory approval or clearance efforts and significantly increase our costs to recover or reproduce the data, and subsequently commercialize the product. Additionally, theft of our intellectual property or proprietary business information could require substantial expenditures to remedy. If we or our third-party collaborators, consultants, contractors, suppliers, or service providers were to suffer an attack or breach, for example, that resulted in the unauthorized access to or use or disclosure of personal or health information, we may have to notify consumers, partners, collaborators, government authorities, and the media, and may be subject to investigations, civil penalties, administrative and enforcement actions, and litigation, any of which could harm our business and reputation. Likewise, we rely on our third-party research institution collaborators and other third parties to conduct clinical trials, and similar events relating to their computer systems could also have a material adverse effect on our business. The COVID-19 pandemic has generally increased the risk of cybersecurity intrusions. For example, there has been an increase in phishing and spam emails as well as social engineering attempts from “hackers” hoping to use the recent COVID-19 pandemic to their advantage. To the extent that any disruption or security breach were to result in a loss of, or damage to, our data or systems, or inappropriate or unauthorized access to or disclosure or use of confidential, proprietary, or other sensitive, personal, or health information, we could incur liability and suffer reputational harm, and the development and commercialization of the RaniPill capsule could be delayed.

Risks Related to Our Intellectual Property

Our commercial success may depend in part on our ability to build and maintain our intellectual property portfolio.

Our commercial success may depend in part, and perhaps in large part, on having a strong portfolio of intellectual property rights globally to prevent others from copying our products. We rely on a combination of contractual provisions, patent rights, trademark rights, and trade secrets to protect our core technology and products. However, these legal measures may only afford limited protection. For example, we may not be able to obtain or maintain intellectual property rights that we believe are important to our business, or in a form that provides us with a competitive advantage.

Moreover, obtaining and maintaining intellectual property protection is expensive, and reduces the budget available for research, development, and other expenditures. We must balance the need for intellectual property protection against the need for furthering our development and commercialization activities, which may mean that aspects of our technology and methodology may not be protected by our intellectual property portfolio.

Where our intellectual property rights are insufficient to prevent or limit commercialization of competitive products in a jurisdiction, potential competitors might be able to enter or expand in a market more easily, which could have a material adverse effect on our business.

The following ways in which our intellectual property portfolio may be limited represent risks to our capability to reduce competition and thus risks to our business.

We may not be able to obtain sufficient patent coverage.

The process of applying for and obtaining a patent is considerably time consuming and expensive, and we may not have the resources to prepare, file, prosecute, or maintain all desirable patent applications and patents in all jurisdictions where protection may be commercially advantageous. It is also possible that we may fail to identify patentable aspects of inventions made in the course of development and commercialization activities before it is too late to obtain patent protection on them, or before others file patent applications covering our product candidates. Moreover, we might not have been the first to make the inventions for which we apply for patents and therefore not be entitled to a patent on such inventions.

Additionally, the scope of our patent coverage may not provide desired coverage for all aspects of our product candidates in all jurisdictions, and scope may differ between jurisdictions. For example, examination of each national or regional patent application is an independent proceeding; as a result, patent applications in the same family may issue with claims of different scope in various jurisdictions, or may even be refused in some or all jurisdictions. If we fail to achieve the desired coverage for all aspects of our product candidates, competitors may be able to copy our technology or design around our patents, and our business may be harmed.

Because the patent position of companies in our industry involves complex legal and factual questions, we cannot predict the validity and enforceability of our patents or provide any assurances that any of our patent applications will be found to be patentable, with certainty. Our issued patents may not provide us with any competitive advantages, may be held invalid or unenforceable as a result of legal challenges by third parties or could be circumvented. Our competitors may also independently develop processes, technologies or products similar to ours or design around or otherwise circumvent any patents issued to, or licensed by, us. Thus, any patents that we own or license from others may not provide adequate protection against competitors. Our pending patent applications, those we may file in the future or those we may license from third parties may not result in patents being issued. If these patents are issued, they may not provide us with proprietary protection or competitive advantages. After the completion of development and registration of our patents, third parties may still manufacture or market our products despite our patent protected rights. If the protection of our proprietary rights is inadequate to prevent use or appropriation by third parties, the value of our brand and other intangible assets may be diminished and competitors may be able to more effectively mimic our technology. If competitors were to mimic our technology, it may result in loss of sales and material litigation expenses. Such infringement of our patent protected rights is likely to cause us damage and lead to a reduction in the prices of our products, thereby reducing our anticipated profits.

We may also inadvertently lose patent assets by failing to follow agency procedures. The USPTO and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process and after a patent issues. Non-compliance with provisions of the various patent agencies can result in the expiration or abandonment of a patent or patent application, resulting in partial or complete loss of associated patent rights in the relevant jurisdiction.

For example, periodic maintenance fees, renewal fees, and annuity fees must often be paid to the USPTO and various foreign governmental patent agencies over the lifetime of a patent and/or patent application. These maintenance and annuity fees for our patents and patent applications are handled by a third-party annuity provider. Any errors by the annuity provider, including but not limited to, incomplete patent information, missed payment instructions, or errors in fund transfers may cause granted patents to expire and pending patent applications to be deemed abandoned. If we are unable to timely pay the annuity provider for their services, they may cease to pay the maintenance and annuity fees, and our patents and applications may lapse and no longer be in force. Additional non-compliance events that could result in abandonment or lapse of a patent or patent application include failure to respond to official actions within prescribed time limits and failure to properly legalize and submit formal documents within prescribed time limits. While an unintentional lapse of a patent or patent application can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. This may create opportunities for competitors to enter the market, which could hurt our competitive position and could impair our ability to successfully commercialize our product candidates in any indication for which they are approved. For these and other reasons, we cannot guarantee that our patents will provide a basis for an exclusive market for our commercially viable products, or will even provide us with any competitive advantage.

It is possible that defects of form in the preparation, filing or prosecution of our patents or patent applications may exist, or may arise in the future, for example with respect to proper priority claims, inventorship, claim scope or requests for patent term adjustments. If we fail to establish, maintain or protect such

patent rights, they may be reduced or eliminated. If there are material defects in the form, preparation, prosecution or enforcement of our patents or patent applications, such patents may be invalid and/or unenforceable, and such applications may never result in valid, enforceable patents. Any of these outcomes could impair our ability to prevent competition from third parties, which may have an adverse impact on our business.

We may not be able to obtain sufficient brand protection.

We may rely on a combination of trademarks, service marks, brand names, trade names, and trade dress, and in some cases pending applications for the same, to protect our brands, in an effort to distinguish our products from the products of our competitors. Some of these mechanisms are protectable under state, federal, and foreign trademark laws and regulations. Although limited protection is available without registration, it is preferable to register trademarks in jurisdictions where we may commercialize.

We have registered or applied to register several trademarks in the United States and many other jurisdictions globally. We cannot ensure that our pending trademark applications will be approved. During trademark registration proceedings, our applications may be rejected by the USPTO or foreign agencies, or may be opposed by third parties. Although we are given an opportunity to respond, we may be unable to overcome such rejections or oppositions. In addition, third parties may seek to cancel registered trademarks, and our trademarks may not survive such proceedings. In the event that our trademarks are finally rejected or successfully challenged, we could be forced to rebrand, which could result in loss of brand recognition and could require us to devote resources towards advertising and marketing with new branding.

Our existing trademarks, whether registered or unregistered, face additional hurdles which may have a material adverse effect on our business. For example: one or more of our current or future trademarks may become used by the public in a manner that the use of the trademark becomes generic and loses its trademark protection in one or more jurisdictions; competitors may adopt trade names or trademarks similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion; and, if we are unable to establish name recognition based on our branding, then we may not be able to compete effectively. Any of the foregoing could have a material adverse effect on our competitiveness.

In addition, our competitors may infringe or otherwise violate our trademarks and we may not have adequate resources to enforce our trademarks.

Domain names are also important to our brand identity and commercialization efforts and we have many registered domain names. However, there are several dozens of top-level domains and more coming, and there are several trademarks or other names that we may wish to incorporate into domain names. The combination of domains and names that may be of interest to our business could number in the hundreds or the thousands. Further, many domain names of interest are already registered by a third party. Therefore, we will not be able to obtain each and every domain name that may be of interest to our business. There is a risk that a competitor or other third party could register a domain name that inhibits our ability to advertise, confuses our customers, or redirects our potential business to other companies.

Trademarks and domain names are intended, and in some cases required, to be used by their owners. In the absence of meaningful use, we may be forced to forfeit various ones of our trademarks and domain names.

Intellectual property law and regulation could affect the value of our intellectual property portfolio.

Interpretation of existing laws and regulations is uncertain and may depend on specific facts of a case. Therefore, we cannot be certain of the effectiveness of our intellectual property against third parties. Further, laws and regulations in general may not provide sufficient protection to prevent, or provide adequate remedy for, the infringement, use, violation or misappropriation of our patents, trademarks, data, technology and other intellectual property and services.

Moreover, changes in laws, or changes in interpretations of laws, may unpredictably weaken our ability to obtain, defend, or enforce our intellectual property rights. A weakened ability to obtain, defend, or enforce rights covering our proprietary technologies could materially and adversely affect our business prospects and financial condition. For example, the United States Supreme Court and the United States Court of Appeals for the Federal Circuit have made, and will likely continue to make, changes in how the patent laws of the United States are interpreted. The United States 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, and there are other open questions under patent law that courts have yet to decisively address. 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 United States Congress, the federal courts and the USPTO, the laws and regulations governing patents could change in unpredictable ways that could weaken our ability to obtain new patents or to enforce patents that we own or that we might obtain or license in the future. An inability to obtain, enforce, and defend patents covering our proprietary technologies would materially and adversely affect our business prospects and financial condition.

Similarly, foreign courts have made, and will likely continue to make, changes in how the patent laws in their respective jurisdictions are interpreted. Changes in patent laws and regulations in other countries or jurisdictions, 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 may obtain in the future. Further, the laws of some foreign 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.

We cannot predict interpretations of existing laws and regulations, future changes to laws or regulations, or changes in the interpretation of laws or regulations. Such changes could increase uncertainty with respect to the value of patents and trademarks once obtained.

Intellectual property rights do not provide complete protection for our business activities.

The combination of contractual provisions, confidentiality procedures, and intellectual property rights that we rely on to protect the proprietary aspects of our products, brands, technologies and data afford limited protection. The degree of protection is uncertain, and our intellectual property rights may not adequately protect our business or permit us to maintain our competitive advantage.

We may not be able to successfully commercialize our products prior to patent expiration.

Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or soon after such candidates are commercialized. The exclusivity period provided by a patent is limited; in the United States, if all maintenance fees are timely paid, the expiration of a patent is generally 20 years from its earliest claimed U.S. non-provisional filing date. Even if patents covering our future products are obtained, once the patent life has expired, we may be open to competition from competitive products entering the market and we may suffer a subsequent decline in market share and profits. Although there may be a possibility to extend the term of one or more of our patents through various laws and regulations, most of our patents will not be eligible for such term extension. An example of legislation providing patent term extension is the Drug Price Competition and Patent Term Restoration Act of 1984, referred to as the Hatch-Waxman Amendments, and similar legislation in some foreign jurisdictions, which provides a patent term extension of up to five years for patent term lost during product development and the FDA regulatory review process.

Our intellectual property rights may not be effective against certain competitive products.

While we seek 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 candidates. Accordingly, our intellectual property position in various jurisdictions may be inadequate in posing an effective challenge to competitive products, and also may not be conducive to successfully commercializing our product candidates in such jurisdictions.

Further, it is quite possible that a competitor may duplicate portions of our technology, or may develop a similar or alternative technology, without infringing our intellectual property rights; or a competitor may offer similar, duplicative, or competitive products for sale in major commercial markets not covered by our intellectual property rights.

Some countries also have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. 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. In addition, some countries limit the enforceability of patents against government agencies or government contractors.

In addition, the U.S. federal government retains certain rights in inventions produced with its financial assistance under the Bayh-Dole Act which could allow the government, in specified circumstances, to require a company to grant a license to a third party. We do not currently have intellectual property falling under these provisions. We cannot be sure that if we acquire intellectual property in the future it will be free from government rights or regulations pursuant to the Bayh-Dole Act. If, in the future, we own, co-own or license in technology which is critical to our business that is developed in whole or in part with federal funds subject to the Bayh-Dole Act, our ability to enforce or otherwise exploit patents covering such technology may be adversely affected.

Third parties may hold intellectual property rights that cover our product candidates.

Our intellectual property rights, including our patent rights, do not give us the right to practice our patented inventions. Third parties may have blocking patents that could prevent us from marketing our own products and practicing our own technology. In some cases, it may be advantageous to license or acquire such patents. However, we may be unable to do so on commercially reasonable terms, such as on terms that would allow us to make an appropriate return on our investment. In addition, companies that perceive us to be a competitor may be unwilling to transfer or license rights to us. Moreover, the licensing or acquisition of third-party intellectual property rights is a competitive area, and other companies may pursue strategies to license or acquire third-party intellectual property rights that we may consider important to our business. Some such companies may have a competitive advantage over us due to their size, capital resources, clinical development stage, or commercialization capabilities.

If we are unable to successfully obtain or maintain rights to third-party intellectual property rights which we deem important to an aspect of our business, we may deem it to be in our best interests to forego further development of the relevant program or product candidate, which could have a material adverse effect on our business.

We are presently reliant upon an in-license with ICL to certain of ICL’s patent rights. Additional in-licenses with other third parties may be negotiated in the future. License agreements may impose fee, royalty, insurance, milestone, and other obligations on us. If we fail to comply with our obligations to a licensor, that licensor may have the right to terminate our license, in which event we might not be able to develop, manufacture or market any product that is covered by the intellectual property we in-license. Such an occurrence would materially adversely affect our business prospects.

Further, we are presently party to a service agreement, which is defined below, with ICL. Pursuant to the service agreement, we may engage ICL to perform development work on behalf of our company. We will wholly own intellectual property resulting from such development work only if it relates to the oral delivery of a biotherapeutic agent or sensor, or the Rani Field, and was developed on our time and with our resources. All other resulting intellectual property will be wholly owned by ICL. ICL has agreed to exclusively license certain intellectual property to us for use solely within the Rani Field, but we may not obtain a license on favorable terms.

In addition, intellectual property rights that we in-license in the future may be sublicenses under intellectual property owned by third parties, in some cases through multiple tiers. The actions of our licensors may therefore affect our rights to use our sublicensed intellectual property, even if we are in compliance with all of the obligations under our sublicense agreements. Should our licensors or any of the upstream licensors fail to comply with their obligations under the agreements pursuant to which they obtain the rights that are sublicensed to us, or should such agreements be terminated or amended, or if we fail to comply with our development obligations under our license agreements when applicable, our ability to develop and commercialize our product candidates may be materially harmed.

If we do not control the prosecution, maintenance and enforcement of our in-licensed intellectual property, we will not be certain that the prosecution, maintenance and enforcement of the licensed intellectual property rights will be in a manner consistent with the best interests of our business.

Competitors could purchase our products and attempt to replicate or reverse engineer some or all of the competitive advantages we derive from our development efforts, willfully infringe our intellectual property rights, or design around our patents, any of which could materially affect our business, and we may not be able to prevent or stop such actions from occurring.

Legal or administrative proceedings related to intellectual property could materially adversely affect our ability to commercialize our products and could result in significant expenditures of resources.

There are several types of legal or administrative proceedings in which we may become involved, such as the ones outlined below. Any proceeding, even those asserted against us without merit and even those where we prevail, may cause us to incur substantial costs, could place a significant strain on our financial resources, divert the attention of management from our core business, divert our employees from development activities, delay commercialization activities, and harm our reputation.

Others may challenge our intellectual property in administrative proceedings.

Administrative proceedings available for challenging issued patents include re-examination, post grant review, inter partes review, and similar proceedings in foreign jurisdictions as applicable. Such a proceeding could result in a patent being deemed invalid, or the scope of the patent coverage being reduced. Similarly, a registered trademark may be challenged, which could result in loss of the trademark, or reduction in the scope of the trademark. Patents and trademarks that we in-license may also be deemed invalid, or the scope reduced. Any of the foregoing outcomes could affect our ability to commercialize our products.

Our patents are presently being challenged in Europe.

The EPO provides for an opposition proceeding that could result in revocation of or amendment to a patent. We are presently involved in several opposition proceedings at the EPO, all of which were asserted against us by Novo Nordisk AS.

There is a risk that one or more of our issued European patents will be invalidated, or have its claims amended, through an opposition process. If this were to happen to one of our European patents, the

corresponding national patent in each European country in which the European patent was validated would similarly be invalidated or have its claims amended. Invalidation or amendment could have a material adverse impact on our ability to commercialize in Europe and/or a material adverse impact on our ability to deter competition from potential competitors in Europe.

There is a risk that we may face additional oppositions in Europe as additional patents grant.

We may assert challenges against others of infringement of our intellectual property.

We may determine that our competitors are infringing our patents or trademarks. In such case we could initiate infringement proceedings against them. Such proceedings are generally quite expensive in terms of money and employee time, and may be prohibitively expensive so that we may decide it not to be cost effective. Indeed, there can be no assurance that we will have sufficient financial or other resources to file and pursue all such proceedings. The monetary costs of such proceedings, the fact that they could last for years before they are concluded, and the diversion of the attention of our management and scientific personnel could outweigh any benefit we receive as a result of the proceedings. We may also be hindered or prevented from enforcing our rights with respect to a government entity or instrumentality because of the doctrine of sovereign immunity.

Additionally, a legal proceeding might harm our business relationships, and thus we may determine that it is in our best interests not to pursue such course. Moreover, any claims we assert against perceived infringers or other third parties could provoke those parties to assert counterclaims against us alleging, for example, that we infringe their patents or other proprietary rights, that our patents or other proprietary rights are invalid or unenforceable, or both. In any patent infringement proceeding, there is a risk that a court will decide that a patent of ours is invalid or unenforceable, in whole or in part, and that we do not have the right to stop the other party from using the invention at issue. There is also a risk that, even if the validity of any patent is upheld, the court will construe the patent's claims narrowly or decide that we do not have the right to stop the other party from using the invention at issue on the grounds that our patent claims do not cover the invention. An adverse outcome in a litigation or proceeding involving one or more of our patents could limit our ability to assert those patents against those parties or other competitors, and may curtail or preclude our ability to exclude third parties from making or selling similar or competitive products. Similarly, if we assert trademark infringement claims, a court may determine that the marks we have asserted are unenforceable, that the alleged infringing mark does not infringe our trademark rights or that the party against whom we have asserted trademark infringement has superior rights to the marks in question. In this last instance, we could ultimately be forced to cease use of such trademarks. Any of these outcomes could adversely affect our competitive business position, financial condition and results of operations.

Even if our patents or other intellectual property are found to be valid and infringed, a court may refuse to grant injunctive relief against the infringer and instead grant us monetary damages and/or ongoing royalties. Such monetary compensation may be insufficient to adequately offset the damage to our business caused by the infringer's competition in the market and, thus, may not be commercially meaningful. However, we may not prevail in any legal challenge that we do initiate. Additionally, if a defendant were to prevail on invalidity of our asserted patents, we may lose some, and perhaps all, of the intellectual property protection on our product candidates, which could have a material adverse impact on our business.

Furthermore, because of the substantial amount of discovery that may be required in connection with intellectual property litigation, there is a risk that some of our proprietary information could be compromised by disclosure during 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 stock.

We may be subject to challenges asserting infringement of intellectual property of a third party.

Our commercial success depends, in part, upon our ability to develop, manufacture, market and sell our products and use our proprietary technologies without infringing the intellectual property rights of third parties.

However, despite our efforts to avoid infringement, we may face infringement challenges by competitors, or from non-practicing entities which purchase intellectual property assets for the purpose of making assertions of infringement to extract settlements. Third parties may assert infringement claims against us based on existing patents or patents that may be granted in the future, regardless of merit. Even if we believe an infringement challenge to be without merit, a court could find infringement, which could have a negative impact on the commercial success of our current and future products. We do not know the nature of claims contained in unpublished patent applications around the world and it is not possible to know which countries patent applicants may choose for the extension of their filings under the Patent Cooperation Treaty. Accordingly, third parties may seek or may have already obtained patents that will limit, interfere with or eliminate our ability to make, use and sell our product candidates. Additionally, our products include components that we purchase from vendors, and may include components that are outside of our direct control. Vendors from whom we purchase components may not indemnify us if our products incorporating their components are accused of infringing a third-party's patent or trademark or of misappropriating a third-party's trade secret.

If we are found to infringe a third party's intellectual property rights, we could be found liable for monetary damages, including treble damages and attorneys' fees if we are found to have willfully infringed. In addition, we could be forced, including by court order, to cease developing, manufacturing and commercializing the infringing technology or product. In some cases, we could pursue a license to continue developing, manufacturing and commercializing our products and technology. However, we may not be able to obtain a license on commercially reasonable terms or at all. Even if we were able to obtain a license, it could be non-exclusive, thereby giving our competitors and other third parties access to the same technologies licensed to us, and it could require us to make substantial licensing and royalty payments.

Further, we generally indemnify our customers with respect to infringement by our products of the proprietary rights of third parties. If third parties assert infringement challenges against our customers, these challenges may require us to initiate or defend litigation on behalf of our customers. If any of these challenges succeed or settle, we may be forced to pay damages or settlement payments on behalf of our customers or may be required to obtain licenses for the products they use. If we cannot obtain all necessary licenses on commercially reasonable terms, our customers may be forced to stop using our products.

The cost to us of any infringement challenge, even if resolved in our favor, could be substantial. Some of our competitors may be able to sustain the costs of an infringement challenge more effectively because of their greater financial resources. In addition to absorbing significant financial resources, an infringement challenge may also consume management's time. Consequently, there is no assurance that we will be able to develop or commercialize a product candidate in line with our business objectives in the event of an infringement challenge.

Further, the outcome of any infringement challenge is subject to uncertainties that cannot be adequately quantified in advance, including the demeanor and credibility of witnesses and the identity of any adverse party. This is especially true in patent infringement cases that may turn on the testimony of experts as to technical facts upon which the experts may reasonably disagree.

We may be subject to challenges asserting misappropriation of intellectual property of a third party.

We employ or contract with individuals who were previously employed elsewhere, including at other biopharmaceutical companies such as our competitors or potential competitors. Some of these employees, consultants or contractors may have executed proprietary rights, non-disclosure, or non-competition agreements in connection with such previous employment or contracting. In addition, we use proprietary information and materials from third parties which may be subject to agreements that include restrictions on use or disclosure.

Although we strive to ensure proper safeguards, we cannot guarantee strict compliance with such agreements, nor can we be sure that our employees, consultants and advisors do not use proprietary information, materials, or know-how of others in their work for us.

We may be subject to challenges that we or our employees, consultants, or contractors have inadvertently or otherwise used or disclosed proprietary information of our employees' former employers or other third parties. There is no guarantee of success in defending such challenges, and if we are not successful, we may be blocked from using the technology that is the subject of the misappropriation challenge.

We may be subject to challenges to the inventorship or ownership of our intellectual property.

We may in the future be subject to challenges by our former employees or consultants asserting an ownership right in our intellectual property, as a result of the work they performed on our behalf. Although we generally require all of our employees and consultants and any other partners or collaborators who have access to our proprietary know-how, information or technology to assign or grant rights to their inventions to us, we cannot be certain that we have executed such agreements with all parties who may have contributed to our intellectual property, nor can we be certain that our agreements with such parties will be upheld in the face of a potential challenge, or that they will not be breached, for which we may not have an adequate remedy. If we fail in defending any such challenges, we may lose valuable intellectual property rights, including the loss of exclusive ownership of, or right to use, such intellectual property.

Additionally, we may be subject to a challenge from a third party challenging our ownership interest in intellectual property we regard as our own, based on assertions that our employees or consultants have breached an obligation to assign inventions to another employer, to a former employer, or to another person or entity. Litigation may be necessary to defend against any such a challenge. It may be necessary or we may desire to enter into a license to settle any such challenge; however, there can be no assurance that we would be able to obtain a license on commercially reasonable terms, if at all. If our defense to a challenge fails, in addition to paying monetary damages, a court could prohibit us from using technologies or features that are essential to our products, if such technologies or features are found to incorporate or be derived from the proprietary information of the former employer. An inability to incorporate technologies or features that are important or essential to our products may prevent us from selling our products.

Third parties may obtain our proprietary information, which could harm our business and competitive position.

If any of our proprietary information, including trade secrets and know-how, were to be lawfully obtained or independently developed by a competitor, we would have no right to prevent them, or those to whom they communicate it, from using that technology or information to compete with us and our competitive position would be harmed.

We seek to maintain the confidentiality of our proprietary information, relying heavily on confidentiality provisions that we have in agreements with our employees, consultants, collaborators and others upon the commencement of their relationship with us. However, we cannot guarantee that we have entered into such agreements with each party that may have or have had access to our proprietary technology and processes and cannot guarantee that such agreements will not be breached. Moreover, these agreements can be difficult and costly to enforce or may not provide adequate remedies. We also seek to preserve the integrity and confidentiality of our data and other proprietary information by maintaining physical security of our premises and physical and electronic security of our information technology systems. While we have confidence in these security measures and systems, agreements or security measures may be breached.

Detecting the disclosure or misappropriation of proprietary information and enforcing an assertion that a party illegally disclosed or misappropriated proprietary information is difficult, expensive and time-consuming, the outcome is unpredictable, there may not be an adequate remedy for breach, and many foreign countries do not have laws adequate to protect proprietary rights.

The theft or unauthorized use or publication of our proprietary information could reduce the differentiation of our products and harm our business, the value of our investment in development or business acquisitions could be reduced, and if a third party's proprietary information is disclosed we may face litigation by such third party. Any of the foregoing could materially and adversely affect our business and financial condition.

Risks Related to Our Organizational Structure

We will be a holding company following the completion of this offering. Our principal asset after the completion of this offering will be our interest in Rani LLC, and, accordingly, we will depend on distributions from Rani LLC to pay our taxes, expenses (including payments under the Tax Receivable Agreement) and dividends. Rani LLC's ability to make such distributions may be subject to various limitations and restrictions.

Upon the closing of this offering, we will be a holding company and will have no material assets other than our ownership of LLC Interests of Rani LLC. As such, we will have no independent means of generating net sales or cash flow, and our ability to pay our taxes and operating expenses or declare and pay dividends in the future, if any, will be dependent upon the financial results and cash flows of Rani LLC and its subsidiary and distributions we receive from Rani LLC. Rani LLC and its subsidiary may not generate sufficient cash flow to distribute funds to us and applicable state law and contractual restrictions, including negative covenants in our debt instruments, may not permit such distributions.

We anticipate that Rani LLC will continue to be treated as a partnership for U.S. federal income tax purposes and, as such, generally will not be subject to any entity-level U.S. federal income tax. Instead, taxable income will be allocated to holders of LLC Interests, including us. Accordingly, we will incur income taxes on our allocable share of any net taxable income of Rani LLC and will also incur expenses related to our operations, including payments under the Tax Receivable Agreement, which we expect could be significant. See the section titled "Certain Relationships and Related Person Transactions—Tax Receivable Agreement." Furthermore, our allocable share of Rani LLC's net taxable income will increase over time as the Continuing LLC Owners redeem or exchange their LLC Interests for shares of our Class A common stock.

We intend, as its managing member, to cause Rani LLC to make cash distributions to the owners of LLC Interests, including us, in an amount sufficient to (i) fund their or our tax obligations in respect of allocations of taxable income from Rani LLC and (ii) cover our operating expenses, including payments under the Tax Receivable Agreement. However, Rani LLC's ability to make such distributions may be subject to various limitations and restrictions, such as restrictions on distributions that would either violate any contract or agreement to which Rani LLC is then a party, including debt agreements, or any applicable law, or that would have the effect of rendering Rani LLC insolvent. In addition, for taxable years beginning after December 31, 2017, liability for adjustments to a partnership's tax return can be imposed on the partnership itself in certain circumstances, absent an election to the contrary. Rani LLC could be subject to material liabilities pursuant to adjustments to its partnership tax returns if, for example, its calculations or allocations of taxable income or loss are incorrect, which also could limit its ability to make distributions to us.

If we do not have sufficient funds to pay taxes or other liabilities or to fund our operations, we may have to borrow funds, which could adversely affect our liquidity and financial condition and subject us to various restrictions imposed by any such lenders. To the extent that we are unable to make payments under the Tax Receivable Agreement for any reason, such payments generally will be deferred and will accrue interest until paid; provided, however, that nonpayment for a specified period may constitute a material breach of a material obligation under the Tax Receivable Agreement and therefore accelerate payments due under the Tax Receivable Agreement. See the section titled "Certain Relationships and Related Person Transactions—Tax Receivable Agreement." In addition, if Rani LLC does not have sufficient funds to make distributions, our ability to declare and pay cash dividends will also be restricted or impaired. See the section titled "Risk Factors—Risks Related to this Offering and Ownership of Our Class A Common Stock" and "Dividend Policy."

Rani LLC may make distributions of cash to us substantially in excess of the amounts we use to make distributions to our stockholders and pay our expenses (including our taxes and payments under the Tax Receivable Agreement). To the extent we do not distribute such excess cash as dividends on our Class A common stock, the Continuing LLC Owners would benefit from any value attributable to such cash as a result of their ownership of Class A common stock upon an exchange or redemption of their LLC Interests.

Following the completion of this offering, we will receive a portion of any distributions made by Rani LLC. Any cash received from such distributions will first be used by us to satisfy any tax liability and then to make any payments required under the Tax Receivable Agreement. Subject to having available cash and subject to limitations imposed by applicable law and contractual restrictions (including pursuant to our debt instruments), the Rani LLC Agreement requires Rani LLC to make certain distributions to us and the Continuing LLC Owners, pro rata, to facilitate the payment of taxes with respect to the income of Rani LLC that is allocated to us and them. These distributions are based on an assumed tax rate, and to the extent the distributions we receive exceed the amounts we actually require to pay taxes, Tax Receivable Agreement payments, and other expenses, we will not be required to distribute such excess cash. Our board of directors may, in its sole discretion, choose to use such excess cash for any purpose, including (i) to make distributions to the holders of our Class A common stock, (ii) to acquire additional newly issued LLC Interests, and/or (iii) to repurchase outstanding shares of our Class A common stock. Unless and until our board of directors chooses, in its sole discretion, to declare a distribution, we will have no obligation to distribute such cash (or other available cash other than any declared dividend) to our stockholders.

No adjustments to the redemption or exchange ratio of LLC Interests for shares of our Class A common stock will be made as a result of either (i) any cash distribution by us or (ii) any cash that we retain and do not distribute to our stockholders. To the extent we do not distribute such cash as dividends on our Class A common stock and instead, for example, hold such cash balances, buy additional LLC Interests or lend them to Rani LLC, this may result in shares of our Class A common stock increasing in value relative to the LLC Interests. The holders of LLC Interests may benefit from any value attributable to such cash balances if they acquire shares of Class A common stock in redemption of or exchange for their LLC Interests or if we acquire additional LLC Interests (whether from Rani LLC or from holders of LLC Interests) at a price based on the market price of our Class A common stock at the time. See the section titled “Certain Relationships and Related Person Transactions—Rani LLC Agreement” and “Dividend Policy” for further information.

The Tax Receivable Agreement with certain of the Continuing LLC Owners requires us to make cash payments to them in respect of certain benefits to which we may become entitled. In certain circumstances, payments under the Tax Receivable Agreement may be accelerated and/or significantly exceed the actual tax benefits we realize.

Upon the closing of this offering, we will be a party to the Tax Receivable Agreement with certain of the Continuing LLC Owners. Under the Tax Receivable Agreement, we will be required to make cash payments to certain of the Continuing LLC Owners equal to 85% of the tax benefits, if any, that we are deemed to realize (calculated using certain assumptions) as a result of (i) increases in the tax basis of assets of Rani LLC resulting from (a) any future redemptions or exchanges of LLC Interests described under “Certain Relationships and Related Person Transactions—Rani LLC Agreement—LLC Interest Redemption Right,” and (b) payments under the Tax Receivable Agreement and (ii) certain other tax benefits arising from payments under the Tax Receivable Agreement. See the section titled “Certain Relationships and Related Person Transactions—Tax Receivable Agreement.” While the actual amount and timing of any payments under the Tax Receivable Agreement, will vary depending upon a number of factors, including the timing of exchanges, the price of shares of our Class A common stock at the time of the redemption or exchange, the extent to which such redemptions or exchanges are taxable, future tax rates, and the amount and timing of our taxable income (prior to taking into account the tax depreciation or amortization deductions arising from the basis adjustments), we expect that, as a result of the size of the increases in the tax basis of the tangible and intangible assets of Rani LLC attributable to our interests in Rani LLC, during the expected term of the Tax Receivable Agreement, the payments that we may make to

certain of the Continuing LLC Owners could be significant. See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Source of Liquidity" for further information.

Payments under the Tax Receivable Agreement will be based on the tax reporting positions that we determine, and the Internal Revenue Service (the "IRS"), or another tax authority may challenge all or part of the tax basis increases, as well as other related tax positions we take, and a court could sustain such challenge. The Continuing LLC Owners who are parties to the Tax Receivable Agreement will not reimburse us for any payments previously made under the Tax Receivable Agreement if such basis increases or other benefits are subsequently disallowed, except that any excess payments made by us to the Continuing LLC Owners under the Tax Receivable Agreement will be netted against future payments that we might otherwise be required to make to the Continuing LLC Owners under the Tax Receivable Agreement. However, a challenge to any tax benefits initially claimed by us may not arise for a number of years following the initial time of such payment or, even if challenged early, such excess cash payment may be greater than the amount of future cash payments that we might otherwise be required to make under the terms of the Tax Receivable Agreement and, as a result, there might not be sufficient future cash payments against which the prior payments can be fully netted. The applicable U.S. federal income tax rules are complex and factual in nature, and there can be no assurance that the IRS or a court will not disagree with our tax reporting positions. Therefore, payments could be made under the Tax Receivable Agreement in excess of the tax savings that we realize in respect of the tax attributes with respect to the Continuing LLC Owners that are the subject of the Tax Receivable Agreement. See the section titled "Certain Relationships and Related Person Transactions—Tax Receivable Agreement."

In addition, the Tax Receivable Agreement provides that, upon certain mergers, asset sales or other forms of business combination or certain other changes of control our (or our successor's) obligations with respect to tax benefits would be based on certain assumptions, including that we (or our successor) would have sufficient taxable income to utilize the benefits arising from the increased tax deductions and tax basis and other benefits covered by the Tax Receivable Agreement. Consequently, it is possible, in these circumstances, that the actual cash tax savings realized by us may be significantly less than the corresponding Tax Receivable Agreement payments. Our accelerated payment obligations and/or assumptions adopted under the Tax Receivable Agreement in the case of a change of control may impair our ability to consummate a change of control transaction or negatively impact the value received by owners of our Class A common stock in a change of control transaction.

If we were deemed to be an investment company under the 1940 Act as a result of our ownership of Rani LLC, applicable restrictions could make it impractical for us to continue our business as contemplated and could adversely affect our business, results of operations and financial condition.

Under Sections 3(a)(1)(A) and (C) of the 1940 Act, a company generally will be deemed to be an "investment company" for purposes of the 1940 Act if (i) it is, or holds itself out as being, engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities or (ii) it engages, or proposes to engage, in the business of investing, reinvesting, owning, holding or trading in securities and it owns or proposes to acquire investment securities having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. We do not believe that we are an "investment company," as such term is defined in either of those sections of the 1940 Act.

As the sole managing member of Rani LLC, we will control and operate Rani LLC. On that basis, we believe that our interest in Rani LLC is not an "investment security" as that term is used in the 1940 Act. However, if we were to cease participation in the management of Rani LLC, our interest in Rani LLC could be deemed an "investment security" for purposes of the 1940 Act.

We and Rani LLC intend to conduct our operations so that we will not be deemed an investment company. However, if we were to be deemed an investment company, restrictions imposed by the 1940 Act, including limitations on our capital structure and our ability to transact with affiliates, could make it impractical for us to continue our business as contemplated and could adversely affect our business, results of operations and financial condition.

ICL currently performs or supports many of our general and administrative corporate functions and will continue to do so after the completion of this offering pursuant to a service agreement, and if we are unable to replicate or replace these functions if the service agreement is terminated, our operations could be adversely affected.

ICL currently performs or supports a few of the general and administrative corporate functions for our company. For example, ICL provides certain general management, intellectual property, office and information technology services. Our consolidated financial statements reflect charges for these services pursuant to our service agreement with ICL, or the service agreement, which is being renewed on an annual basis. Pursuant to the service agreement, ICL will provide us certain administrative and development support services after completion of this offering. For example, we anticipate receiving from ICL certain general management, intellectual property, office and information technology services. In addition, pursuant to the service agreement, we will continue to sublease from ICL office and laboratory space encompassing approximately 23,000 square feet.

Pursuant to the service agreement, we will wholly own intellectual property resulting from ICL's development work only if it relates to the Rani Field and was developed by our team and using our resources. ICL has agreed to exclusively license certain intellectual property to us for use solely within the Rani Field, but we may not obtain a license on favorable terms.

The fees to be charged for any service rendered pursuant to the service agreement will be based upon the hours incurred by ICL employees working on behalf of Rani LLC as well as allocations of expenses based upon Rani LLC's utilization of ICL's facilities and equipment for the relevant period.

The service agreement will renew for successive one-year terms unless sooner terminated by either party. Termination of individual services requires 60 days' notice, and termination of the service agreement requires six months' notice. In the event the service agreement is terminated by us or ICL, we will need to replicate or replace certain functions, systems and infrastructure to which we will no longer have the same access. We may also need to make investments or hire additional employees to operate without the same access to ICL's existing operational and administrative infrastructure. These initiatives may be costly to implement. Due to the scope and complexity of the underlying projects relative to these efforts, the amount of total costs could be materially higher than our estimate, and the timing of the incurrence of these costs is subject to change.

In addition, we may not be able to replace these services or enter into appropriate third-party agreements on terms and conditions, including cost, comparable to those that we will receive from ICL under the service agreement. When we begin to operate these functions separately, if we do not have our own adequate systems and business functions in place, or are unable to obtain them from other providers, we may not be able to operate our business effectively or at comparable costs, and our profitability may decline.

Rani is controlled by certain of the Continuing LLC Owners, whose interests may differ from those of our public stockholders.

Immediately following the completion of this offering and the application of net proceeds from this offering, certain of the Continuing LLC Owners will control approximately % of the combined voting power of our common stock through their ownership of both Class A common stock and Class B common stock. These Continuing LLC Owners will, for the foreseeable future, have the ability to substantially influence us through their ownership position over corporate management and affairs, and will be able to control virtually all matters

requiring stockholder approval. These Continuing LLC Owners are able to, subject to applicable law, elect a majority of the members of our board of directors and control actions to be taken by us and our board of directors, including amendments to our certificate of incorporation and bylaws and approval of significant corporate transactions, including mergers and sales of substantially all of our assets. The directors so elected will have the authority, subject to the terms of our indebtedness and applicable rules and regulations, to issue additional stock, implement stock repurchase programs, declare dividends and make other decisions. It is possible that the interests of these Continuing LLC Owners may in some circumstances conflict with our interests and the interests of our other stockholders, including you. For example, these Continuing LLC Owners may have different tax positions from us, especially in light of the Tax Receivable Agreement, that could influence our decisions regarding whether and when to dispose of assets, whether and when to incur new or refinance existing indebtedness, and whether and when Rani should terminate the Tax Receivable Agreement and accelerate its obligations thereunder. In addition, the determination of future tax reporting positions and the structuring of future transactions may take into consideration these Continuing LLC Owners' tax or other considerations, which may differ from the considerations of us or our other stockholders. See the section titled "Certain Relationships and Related Person Transactions—Tax Receivable Agreement."

The multi-class structure of our common stock may adversely affect the trading price or liquidity of our Class A common stock.

The existence of three classes of our common stock could result in less liquidity for any such class than if there were only one class of our capital stock. In addition, S&P Dow Jones and FTSE Russell have announced changes to their eligibility criteria for inclusion of shares of public companies on certain indices that will exclude companies with multiple classes of shares of common stock from being added to such indices. Several stockholder advisory firms also have announced their opposition to the use of multiple class structures. As a result, the multi-class structure of our common stock may prevent the inclusion of our Class A common stock in such indices and may cause stockholder advisory firms to publish negative commentary about our corporate governance practices or otherwise seek to cause us to change our capital structure. Any such exclusion from indices could result in a less active trading market for our Class A common stock. Any actions or publications by stockholder advisory firms critical of our corporate governance practices or capital structure could also adversely affect the value of our Class A common stock.

The multi-class structure of our common stock has the effect of concentrating voting control with those stockholders who held our voting units prior to the completion of this offering, including our executive officers, employees and directors and their affiliates, which will limit your ability to influence the outcome of important transactions, including a change in control.

Our Class B common stock has 10 votes per share, our Class A common stock, which is the stock we are offering in this offering, has one vote per share and Class C common stock has no voting rights, except as required by law. Upon the completion of this offering, holders of our outstanding Class A common stock will collectively hold approximately % of the voting power of our outstanding capital stock, holders of our outstanding Class B common stock will collectively hold approximately % of the voting power of our outstanding capital stock. No shares of Class C common stock will be outstanding upon the completion of this offering. Because of the 10-to-one voting ratio between our Class B common stock and Class A common stock, after the completion of this offering, the holders of our Class B common stock will collectively continue to control a majority of the combined voting power of our capital stock and therefore be able to control all matters submitted to our stockholders for approval so long as the shares of our Class B common stock represent at least % of all outstanding shares of our Class A common stock and Class B common stock. These holders of our Class B common stock may also have interests that differ from yours and may vote in a way with which you disagree and which may be adverse to your interests. This concentrated control may have the effect of delaying, preventing or deterring a change in control of our company, could deprive our stockholders of an opportunity to receive a premium for their capital stock as part of a sale of our company and might ultimately affect the market price of our Class A common stock.

The exchange of Class A units for Class A common stock will have the effect, over time, of increasing the relative voting power of those holders of Class B common stock who retain their shares in the long term. If, for example, Mir Imran, together with his affiliates, retains a significant portion of his holdings of our Class B common stock for an extended period of time, he could control a significant portion of the voting power of our capital stock for the foreseeable future. As a board member, Mir Imran owes a fiduciary duty to our stockholders and must act in good faith and in a manner to be in the best interests of our stockholders. As a stockholder, Mir Imran is entitled to vote his shares in his own interests, which may not always be in the interests of our stockholders generally. For a description of the multi-class structure, see the section titled "Description of Capital Stock."

Risks Related to This Offering and Ownership of Our Class A Common Stock

We do not know whether an active, liquid and orderly trading market will develop for our common stock or what the market price of our common stock will be and as a result it may be difficult for you to sell your shares of our Class A common stock.

Prior to this offering there has been no market for shares of our Class A common stock, Class B common stock or Class C common stock. Although we anticipate our Class A common stock will be approved for listing on Nasdaq, an active trading market for our shares may never develop or be sustained following the completion of this offering. The initial public offering price for our Class A common stock will be determined through negotiations with the underwriters, and the negotiated price may not be indicative of the market price of our Class A common stock after this offering. This initial public offering price may vary from the market price of our Class A common stock after the offering. The lack of an active market may impair your ability to sell your shares at the time you wish to sell them or at a price that you consider reasonable. In addition, as described further in these "Risk Factors," a substantial percentage of our Class A common stock will continue to be held by our executive officers and existing investors (including any shares purchased in this offering), who will be subject to lock-up agreements expiring 180 days from the date of this prospectus (except that the lock-up will not apply to any shares purchased in this offering and will include other exemptions). As a result of these and other factors, you may be unable to resell your shares of our Class A common stock at or above the initial public offering price. Further, an inactive market may also impair our ability to raise capital by selling shares of our Class A common stock and may impair our ability to enter into strategic collaborations or acquire companies or products by using our shares of Class A common stock as consideration.

Our stock price may be volatile and the value of our Class A common stock may decline.

The market price of our Class A common stock may be highly volatile and may fluctuate or decline substantially as a result of a variety of factors, some of which are beyond our control, including limited trading volume. In addition to the factors discussed in this "Risk Factors" section and elsewhere in this prospectus, these factors including:

- our ability to obtain and maintain regulatory approvals for our current or any of our future product candidates;
- changes in laws or regulations applicable to our current or any of our future product candidates;
- adverse developments concerning Takeda, Novartis, CCHN or any of our third-party collaborators and suppliers;
- our inability to obtain adequate product supply for our current or any of our future product candidates or our inability to do so at acceptable prices; our ability to scale, optimize and expand automation of our manufacturing processes for our product candidates for the conduct of preclinical studies and clinical trials and, if approved, for successful commercialization;

- the degree and rate of physician and market adoption of our current or any of our future product candidates;
- announcements by us or our competitors of significant business developments, diagnostic technologies, acquisitions, or new offerings;
- negative publicity associated with issues related to our technology or our product candidates;
- our inability to establish collaborations, if needed;
- future sales of our Class A common stock or other securities, by us or our stockholders, as well as the anticipation of lock-up releases;
- changes in senior management or key personnel;
- the trading volume of our Class A common stock;
- performance or news releases by other companies in our industry including about adverse developments related to safety, effectiveness, accuracy and usability of their products, reputational concerns, reimbursement coverage, regulatory compliance, and product recalls;
- general economic, regulatory and market conditions, including economic recessions or slowdowns;
- changes in the structure of healthcare payment systems;
- actual or anticipated fluctuations in our financial condition and results of operations, including as a result of anticipated or unanticipated demand based on seasonal factors;
- variance in our financial performance from expectations of securities analysts or investors;
- changes in our projected operating and financial results;
- developments or disputes concerning our intellectual property or other proprietary rights;
- significant lawsuits, including patent or stockholder litigation;
- general political and economic conditions, including the COVID-19 pandemic; and
- other events or factors, many of which are beyond our control.

Broad market and industry fluctuations, as well as general economic, pandemic, political, regulatory, and market conditions, may negatively impact the market price of our Class A common stock. In addition, given the relatively small expected public float of shares of our Class A common stock on Nasdaq, the trading market for our shares may be subject to increased volatility. In the past, securities class action litigation has often been brought against companies that have experienced volatility or following a decline in the market price of its securities. This risk is especially relevant for us, because medical device companies have experienced significant stock price volatility in recent years. If we face such litigation, it could result in substantial costs and a diversion of management's attention and resources, which could harm our business.

We are a "controlled company" within the meaning of the Nasdaq rules and, as a result, qualify for, and may rely on, exemptions and relief from certain corporate governance requirements. If we rely on these exemptions, our stockholders will not have the same protections afforded to stockholders of companies that are subject to such requirements.

As of , 2021, Mir Imran beneficially owned approximately % of the combined voting power of our Class A and Class B common stock. As a result, we will continue to be a "controlled

company" within the meaning of the Nasdaq corporate governance standards. Under these corporate governance standards, a company of which more than 50% of the voting power in the election of directors is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements. For example, controlled companies are not required to have:

- a board that is composed of a majority of "independent directors," as defined under the Nasdaq rules;
- a compensation committee that is composed entirely of independent directors; and
- director nominations be made, or recommended to the full board of directors, by its independent directors, or by a nominations/governance committee that is composed entirely of independent directors.

While we do not intend to rely on the exemptions relating to being a "controlled company" within the meaning of the Nasdaq rules, we may utilize these exemptions for as long as we continue to qualify as a "controlled company." Accordingly, our stockholders may not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the Nasdaq. Investors may find our Class A common stock less attractive as a result of our reliance on these exemptions. If some investors find our Class A common stock less attractive as a result, there may be a less active trading market for our Class A common stock and our stock price may be more volatile.

You will experience immediate and substantial dilution in the net tangible book value of the shares of Class A common stock you purchase in this offering.

The initial public offering price of our Class A common stock will be substantially higher than the pro forma net tangible book value per share of our Class A common stock immediately after this offering. If you purchase shares of our Class A common stock in this offering, you will suffer immediate dilution of $ per share, or $ per share if the underwriters exercise in full their option to purchase additional shares of Class A common stock, representing the difference between our pro forma as adjusted net tangible book value per share after giving effect to the sale of Class A common stock in this offering. To the extent outstanding warrants are exercised, there will be further dilution to new investors. As a result of the dilution to investors purchasing shares in this offering, investors may receive significantly less than the purchase price paid in this offering, if anything, in the event of our liquidation. For a further description of the dilution that you will experience immediately after this offering, see the section titled "Dilution."

We will have broad discretion in the use of the net proceeds from this offering and may invest or spend the proceeds in ways with which you do not agree and in ways that may not yield a return.

We will have broad discretion over the use of the net proceeds from this offering. Investors may not agree with our decisions, and our use of the net proceeds may not yield any return on your investment. We currently intend to use the net proceeds from this offering to (i) advance our internal pipeline, (ii) advance manufacturing scale-up and automation, (iii) repay outstanding PPP Loan with Comerica Bank, (iv) advance research and development programs, and the remainder will be used for working capital and general corporate purposes. Our failure to apply the net proceeds from this offering effectively could impair our ability to pursue our growth strategy or could require us to raise additional capital. In addition, pending their use, the net proceeds of this offering may be placed in investments that do not produce income or that may lose value. If we do not invest or apply the net proceeds from this offering in ways that enhance stockholder value, we may fail to achieve expected financial results, which could cause our stock price to decline.

We may in the future engage in acquisitions, collaborations, or strategic partnerships, which may increase our capital requirements, dilute our stockholders, cause us to incur debt or assume contingent liabilities, and subject us to other risks.

We may engage in various acquisitions, collaborations, and strategic partnerships in the future, including licensing or acquiring complementary products, intellectual property rights, technologies, or businesses. Any acquisition, collaboration, or strategic partnership may entail numerous risks, including:

- increased operating expenses and cash requirements;
- volatility with respect to the financial reporting related to such arrangements;
- assumption of indebtedness or contingent liabilities;
- issuance of our equity securities which would result in dilution to our stockholders;
- assimilation of operations, intellectual property, products, and product candidates of an acquired company, including difficulties associated with integrating new personnel;
- diversion of our management's attention from our existing product programs and initiatives in pursuing such an acquisition or strategic partnership;
- retention of key employees, the loss of key personnel, and uncertainties in our ability to maintain key business relationships;
- risks and uncertainties associated with the other party to such a transaction, including the prospects of that party and their existing products or product candidates and regulatory approvals; and
- our inability to generate revenue from acquired intellectual property, technology, and/or products sufficient to meet our objectives or even to offset the associated transaction and maintenance costs.

In addition, if we undertake such a transaction, we may issue dilutive securities, assume or incur debt obligations, incur large one-time expenses, and acquire intangible assets that could result in significant future amortization expense.

Future sales and issuances of our Class A common stock in the public market could cause the market price of our Class A common stock to decline.

Sales and issuances of a substantial number of shares of our Class A common stock in the public market following the closing of this offering, or the perception that these sales might occur, could depress the market price of our Class A common stock and could impair our ability to raise capital through the sale of additional equity securities. We are unable to predict the effect that such sales and issuances may have on the prevailing market price of our Class A common stock.

Based on shares of Class A common stock outstanding as of , upon the closing of this offering, we will have outstanding a total of shares of Class A common stock. Of these shares, only the shares of Class A common stock sold in this offering by us, plus any shares sold upon exercise of the underwriters' option to purchase additional shares, will be freely tradable without restriction in the public market immediately following the completion of this offering.

In addition, all of our executive officers and directors and the holders of substantially all of our equity securities are subject to lock-up agreements that restrict their ability to transfer shares of our Class A common stock, stock options and other securities convertible into, exchangeable for, or exercisable for our Class A common stock during the period ending on, and including, the 180th day after the date of this prospectus, subject to specified exceptions. BofA Securities, Inc., Stifel, Nicolaus & Company, Incorporated, Cantor Fitzgerald & Co. and Canaccord Genuity LLC may, in their discretion, permit our stockholders who are subject to these lock-up agreements to sell shares prior to the expiration of the lock-up agreements. Upon the expiration of the lock-up period, of such shares will be eligible for sale as described in the section of this prospectus titled "Shares Eligible for Future Sale."

We intend to register all of the shares of Class A common stock issuable upon exercise of outstanding stock options, and upon exercise or settlement of any options or other equity incentives we may grant in the future, for public resale under the Securities Act. Accordingly, these shares will be able to be freely sold in the public market upon issuance as permitted by any applicable vesting requirements, subject to the lock-up agreements described above. These shares of common will become eligible for sale in the public market to the extent such stock options are exercised, subject to the lock-up agreements described above and compliance with applicable securities laws.

After this offering, the holders of shares of our Class A common stock will be entitled to rights with respect to the registration of their shares under the Securities Act, subject to the 180-day lock-up agreements described above. Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restriction under the Securities Act, except for shares held by affiliates, as defined in Rule 144 under the Securities Act. Any sales of securities by these stockholders could have a material adverse effect on the trading price of our Class A common stock.

Our principal stockholders and management own a significant percentage of our stock after this offering and will be able to exert significant control over matters subject to stockholder approval.

As of , our executive officers, directors, holders of 5% or more of our capital stock and their respective affiliates beneficially owned approximately % of our stock and, upon the closing of this offering, assuming the purchase of $ million of shares of our Class A common stock by entities affiliated with certain of our existing stockholders and directors who have indicated an interest in purchasing such shares in this offering (or shares at an assumed initial public offering price of $ per share) that same group will hold approximately % of our outstanding stock. Therefore, even after this offering these stockholders will have substantial influence and may be able to determine all matters requiring stockholder approval. For example, these stockholders may be able to control elections of directors, amendments of our organizational documents, or approval of any merger, sale of assets, or other major corporate transaction. This concentration of voting power could, among other things, delay or prevent an acquisition of our company on terms that other stockholders may desire, which in turn could depress our stock price and may prevent attempts by our stockholders to replace or remove the board of directors or management.

Concentration of ownership of our common stock among our executive officers, directors and principal stockholders may prevent new investors from influencing significant corporate decisions.

Based on the number of shares of common stock outstanding as of and including the shares to be sold in this offering, shares of Class B common stock issuable upon the automatic conversion of our preferred units outstanding as of into an equal number of shares of our Class B common stock upon the closing of this offering, upon the closing of this offering, our executive officers, directors and current beneficial owners of 5% or more of our common stock will, in the aggregate, beneficially own approximately % of our Class A common stock (assuming the underwriters do not exercise in full their option to purchase additional shares of Class A common stock and excluding any shares of Class A common stock that may be purchased pursuant to our directed share program described in the "Underwriting" section of this prospectus). These

stockholders, acting together, will be able to significantly influence all matters requiring stockholder approval, including the election and removal of directors and any merger or other significant corporate transactions. The interests of this group of stockholders may not coincide with the interests of other stockholders.

Some of these persons or entities may have interests different than those of investors purchasing shares in this offering. For example, because many of these stockholders purchased their shares at prices substantially below the price at which shares are being sold in this offering and have held their shares for a longer period, they may be more interested in selling our company to an acquirer than other investors, or they may want us to pursue strategies that deviate from the interests of other stockholders.

We do not intend to pay dividends for the foreseeable future and, as a result, your ability to achieve a return on your investment will depend on appreciation in the price of our Class A common stock.

We have never declared or paid any cash dividends on our capital stock, and we do not intend to pay any cash dividends in the foreseeable future. Any determination to pay dividends in the future will be at the discretion of our board of directors and may be restricted by the terms of any then-current debt instruments. Accordingly, investors must rely on sales of their Class A common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investments.

We will incur increased costs as a result of operating as a public company, and our management will be required to devote substantial time to compliance with our public company responsibilities and corporate governance practices.

We will incur significant legal, accounting and other expenses as a public company, including costs resulting from public company reporting obligations under the Exchange Act and regulations regarding corporate governance practices. The listing requirements of the Nasdaq require that we satisfy certain corporate governance requirements relating to director independence, distributing annual and interim reports, stockholder meetings, approvals and voting, soliciting proxies, conflicts of interest and a code of conduct. Our management and other personnel will need to devote a substantial amount of time to ensure that we comply with all of these requirements, and we will likely need to hire additional accounting and financial staff with appropriate public company reporting experience and technical accounting knowledge. Moreover, the reporting requirements, rules and regulations will increase our legal and financial compliance costs and will make some activities more time consuming and costly. Any changes we make to comply with these obligations may not be sufficient to allow us to satisfy our obligations as a public company on a timely basis, or at all. These reporting requirements, rules and regulations, coupled with the increase in potential litigation exposure associated with being a public company, could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors or board committees or to serve as executive officers, or to obtain certain types of insurance, including directors' and officers' insurance, on acceptable terms.

As a public company, and particularly after we are no longer an "emerging growth company," we will incur significant legal, accounting and other expenses that we did not incur as a private company. The Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of the Nasdaq and other applicable securities rules and regulations impose various requirements on public companies. Furthermore, the senior members of our management team do not have significant experience with operating a public company. As a result, our management and other personnel will need to devote a substantial amount of time to compliance with these requirements. Moreover, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect that these rules and regulations may make it more difficult and more expensive for us to obtain directors' and officers' liability insurance, which could make it more difficult for us to attract and retain qualified members of our board of directors. We cannot predict or estimate the amount of additional costs we will incur as a public company or the timing of such costs. Accordingly, we expect to continue to incur operating losses for the foreseeable future and we may not achieve profitability in the future and that, if we do become

profitable, we may not sustain profitability. Our failure to achieve and sustain profitability in the future will make it more difficult to finance our business and accomplish our strategic objectives, which would have a material adverse effect on our business, financial condition and results of operations and cause the market price of our Class A common stock to decline.

Provisions under Delaware law and California law could make an acquisition of our company more difficult, limit attempts by our stockholders to replace or remove our current management and limit the market price of our common stock.

Under our amended and restated certificate of incorporation that will be in effect immediately prior to the closing of this offering, we have elected not to be governed by the provisions of Section 203 of the Delaware General Corporation Law, which generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with any holder of at least 15% of our capital stock for a period of three years following the date on which the stockholder acquired at least 15% of our common stock. Because our principal executive offices are located in California, the anti-takeover provisions of the California Corporations Code may apply to us under certain circumstances now or in the future. See the section of this prospectus titled "Description of Capital Stock—Anti-Takeover Effects of Certain Provisions of Delaware Law, Our Amended and Restated Certificate of Incorporation and Our Amended and Restated Bylaws" for additional information.

We are an emerging growth company and a smaller reporting company and our compliance with the reduced reporting and disclosure requirements applicable to emerging growth companies and smaller reporting companies could make our Class A common stock less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act, and we expect to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies, including the auditor attestation requirements of Section 404 reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved and extended adoption period for accounting pronouncements.

We are also a "smaller reporting company," as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company. We may take advantage of certain of the scaled disclosures available to smaller reporting companies and will be able to take advantage of these scaled disclosures for so long as our voting and non-voting common stock held by non-affiliates is less than $250.0 million measured on the last business day of our second fiscal quarter, or our annual revenue is less than $100.0 million during the most recently completed fiscal year and our voting and non-voting common stock held by non-affiliates is less than $700.0 million measured on the last business day of our second fiscal quarter.

Investors may find our Class A common stock less attractive as a result of our reliance on these exemptions. If some investors find our Class A common stock less attractive as a result, there may be a less active trading market for our Class A common stock and our stock price may be more volatile.

Anti-takeover provisions under our charter documents and Delaware law could delay or prevent a change of control which could limit the market price of our Class A common stock and may prevent or frustrate attempts by our stockholders to replace or remove our current management.

Our amended and restated certificate of incorporation and amended and restated bylaws, that will each be in effect immediately prior to the closing of this offering, contain provisions that could delay or prevent a change of control of our company or changes in our board of directors that our stockholders might consider favorable. Some of these provisions include:

- a requirement that special meetings of stockholders be called only by holders of at least 25% of the voting power of our Class A common stock and Class B common stock, voting together as a single class, the chairperson of the board of directors, the chief executive officer, or by a majority of the board of directors;

- advance notice requirements for stockholder proposals and nominations for election to our board of directors;

- a requirement that no member of our board of directors may be removed from office by our stockholders except for cause and, in addition to any other vote required by law, upon the approval of not less than two-thirds of all outstanding shares of our voting stock then entitled to vote in the election of directors;

- a requirement of approval of a majority of all outstanding shares of our voting stock to amend any bylaws by stockholder action or to amend specific provisions of our certificate of incorporation, with protective provisions in our certificate of incorporation requiring approval of a majority of the voting power of the Class B common stock then outstanding;

- the authority of the board of directors to issue preferred stock on terms determined by the board of directors without stockholder approval and which preferred stock may include rights superior to the rights of the holders of Class A common stock; and

- the authorization of three classes of common stock as described above.

Under our amended and restated certificate of incorporation that will be in effect immediately prior to the closing of this offering, we have elected not to be governed by the provisions of Section 203 of the Delaware General Corporate Law, which may prohibit certain business antitakeover provisions. Other provisions in our amended and restated certificate of incorporation and amended and restated bylaws, could make it more difficult for stockholders or potential acquirors to obtain control of our board of directors or initiate actions that are opposed by the then-current board of directors and could also delay or impede a merger, tender offer, or proxy contest involving our company. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your choosing or cause us to take other corporate actions you desire. Any delay or prevention of a change of control transaction or changes in our board of directors could cause the market price of our Class A common stock to decline.

Our amended and restated certificate of incorporation that will be in effect immediately prior to the closing of this offering will provide that the Court of Chancery of the State of Delaware and the federal district courts of the United States of America will be the exclusive forums for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees.

Our amended and restated certificate of incorporation will provide that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: (1) any derivative action or proceeding brought on our behalf, (2) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers, or other employees to us or our stockholders, (3) any action or proceeding asserting a claim against us or any of our current or former directors, officers, or other employees, arising out of or pursuant to any provision of the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws, (4) any action or proceeding to interpret, apply, enforce, or determine the validity of our amended and restated certificate of incorporation or our amended and restated bylaws, (5) any action or proceeding as to which the Delaware General Corporation Law confers jurisdiction to the Court of Chancery of the State of Delaware, and (6) any action asserting a claim against us or any of our directors, officers, or other

employees governed by the internal affairs doctrine, in all cases to the fullest extent permitted by law and subject to the court's having personal jurisdiction over the indispensable parties named as defendants.

These provisions would not apply to suits brought to enforce a duty or liability created by the Exchange Act. Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated certificate of incorporation and our amended and restated bylaws will further provide that the federal district courts of the United States of America will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act, including all causes of action asserted against any defendant named in such complaint. For the avoidance of doubt, this provision is intended to benefit and may be enforced by us, our officers and directors, the underwriters to any offering giving rise to such complaint, and any other professional entity whose profession gives authority to a statement made by that person or entity and who has prepared or certified any part of the documents underlying the offering. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions. In such instance, we would expect to vigorously assert the validity and enforceability of the exclusive forum provisions of our amended and restated certificate of incorporation. This may require significant additional costs associated with resolving such action in other jurisdictions and the provisions may not be enforced by a court in those other jurisdictions.

These exclusive forum provisions may limit a stockholder'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 discourage these types of lawsuits. Furthermore, the enforceability of similar choice of forum provisions in other companies' certificates of incorporation or bylaws has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable. If a court were to find the exclusive forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur further significant additional costs associated with resolving such action in other jurisdictions, all of which could seriously harm our business.

General Risk Factors

As a result of being a public company, we are obligated to develop and maintain proper and effective internal control over financial reporting, and any failure to maintain the adequacy of these internal controls may adversely affect investor confidence in our company and, as a result, the value of our Class A common stock.

We will be required, pursuant to Section 404 of the Sarbanes-Oxley Act of 2002, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting for the year ending December 31, 2022, which is the year covered by the second annual report following the completion of our initial public offering. This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. In addition, our independent registered public accounting firm will be required to attest to the effectiveness of our internal control over financial reporting in our first annual report required to be filed with the SEC following the date we are no longer an emerging growth company if we are not a non-accelerated filer at such time.

If we are unable to conclude that our internal control over financial reporting is effective, or if our independent registered public accounting firm determines we have a material weakness in our internal control over financial reporting, we could lose investor confidence in the accuracy and completeness of our financial reports, the market price of our Class A common stock could decline, and we could be subject to sanctions or investigations by the SEC or comparable foreign regulatory authorities. Failure to remedy any material weakness or significant deficiency in our internal control over financial reporting, or to implement or maintain other effective control systems required of public companies, could also restrict our future access to the capital markets.

If our estimates or judgments relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our operating results could fall below our publicly announced guidance or the expectations of securities analysts and investors, resulting in a decline in the market price of our Class A common stock.

The preparation of our financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in our financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue and expenses that are not readily apparent from other sources. If our assumptions underlying our estimates and judgments relating to our critical accounting policies change or if actual circumstances differ from our assumptions, estimates or judgments, our operating results may be adversely affected and could fall below our publicly announced guidance or the expectations of securities analysts and investors, resulting in a decline in the market price of our Class A common stock.

Unanticipated changes in effective tax rates or adverse outcomes resulting from examination of our income or other tax returns could adversely affect our results of operations and financial condition

We are or may be subject to taxes by the U.S. federal, state, local and foreign tax authorities, and our tax liabilities will be affected by the allocation of expenses to differing jurisdictions. Our future effective tax rates could be subject to volatility or adversely affected by a number of factors, including:

- changes in the valuation of our deferred tax assets and liabilities;
- expected timing and amount of the release of any tax valuation allowances;
- tax effects of equity-based compensation;
- changes in tax laws, regulations or interpretations thereof; or
- future earnings being lower than anticipated in countries where we have lower statutory tax rates and higher than anticipated earnings in countries where we have higher statutory tax rates.

In addition, we may be subject to audits of our income, sales and other transaction taxes by U.S. federal, state, local and foreign taxing authorities. Outcomes from these audits could adversely affect our business, results of operations and financial condition.

Our failure to meet Nasdaq's continued listing requirements could result in a delisting of our Class A common stock.

If, after listing, we fail to satisfy the continued listing requirements of Nasdaq, such as the corporate governance requirements or the minimum closing bid price requirement, Nasdaq may take steps to delist our Class A common stock. Such a delisting would likely have a negative effect on the price of our Class A common stock and would impair your ability to sell or purchase our Class A common stock when you wish to do so. In the event of a delisting, we can provide no assurance that any action taken by us to restore compliance with listing requirements would allow our Class A common stock to become listed again, stabilize the market price or improve the liquidity of our Class A common stock, prevent our Class A common stock from dropping below the Nasdaq minimum bid price requirement or prevent future non-compliance with the listing requirements of Nasdaq.

We are subject to U.S. and certain foreign export and import controls, sanctions, embargoes, anti-corruption laws and anti-money laundering laws and regulations. Compliance with these legal standards could impair our ability to compete in domestic and international markets. We can face criminal liability and other serious consequences for violations, which can harm our business.

We are subject to export control and import laws and regulations, including the U.S. Export Administration Regulations, U.S. Customs regulations, and various economic and trade sanctions regulations administered by the U.S. Treasury Department's Office of Foreign Assets Controls, and anti-corruption and anti-money laundering laws and regulations, including the FCPA the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the USA PATRIOT Act, and other state and national anti-bribery and anti-money laundering laws in the countries in which we conduct or may in the future conduct activities. Anti-corruption laws are interpreted broadly and prohibit companies and their employees, agents, contractors and other third-party collaborators from authorizing, promising, offering, providing, soliciting or receiving, directly or indirectly, improper payments or anything else of value to recipients in the public or private sector. We may engage third parties outside of the United States to sell our products internationally once we enter a commercialization phase, and/or to obtain necessary permits, licenses, patent registrations and other regulatory approvals. We have direct or indirect interactions with officials and employees of government agencies or government-affiliated hospitals, universities and other organizations. We can be held liable for the corrupt or other illegal activities of our employees, agents, contractors and other third-party collaborators, even if we do not explicitly authorize or have actual knowledge of such activities. Any violations of the laws and regulations described above may result in substantial civil and criminal fines and penalties, imprisonment, the loss of export or import privileges, debarment, tax reassessments, breach of contract and fraud litigation, reputational harm, and other consequences.

We are subject to numerous laws and regulations related to anti-bribery and anti-corruption laws, such as the FCPA, in which violations of these laws could result in substantial penalties and prosecution.

For any operations outside the United States, we are similarly subject to various heavily-enforced anti-bribery and anti-corruption laws, such as the FCPA and similar laws around the world. These laws generally prohibit U.S. companies and their employees and intermediaries from offering, promising, authorizing or making improper payments to foreign government officials for the purpose of obtaining or retaining business or gaining any advantage. We face significant risks if we, which includes our third-party business partners and intermediaries, fail to comply with the FCPA or other anti-corruption and anti-bribery laws. In many foreign countries, particularly in countries with developing economies, it may be a local custom that businesses engage in practices that are prohibited by the FCPA or other applicable laws and regulations. To that end, our internal control policies and procedures and employee training and compliance programs designed to deter prohibited practices ultimately may not be effective in preventing our employees, contractors, business partners, intermediaries or agents from violating or circumventing our policies and/or the law.

Responding to any enforcement action or related investigation may result in a significant diversion of management's attention and resources and significant defense costs and other professional fees. Any violation of the FCPA or other applicable anti-bribery, anti-corruption or anti-money laundering laws could result in whistleblower complaints, adverse media coverage, investigations, loss of export privileges, severe criminal or civil sanctions and, in the case of the FCPA, suspension or debarment from U.S. government contracts, which could harm our business, financial condition and results of operations.

If securities or industry analysts do not publish research or publish unfavorable or inaccurate research about our business, our Class A common stock price and trading volume could decline.

Our stock price and trading volume will be heavily influenced by the way analysts and investors interpret our financial information and other disclosures. If securities or industry analysts do not publish research or reports about our business, delay publishing reports about our business or publish negative reports about our business, regardless of accuracy, our Class A common stock price and trading volume could decline.

The trading market for our Class A common stock will depend, in part, on the research and reports that securities or industry analysts publish about us or our business. We do not have any control over these analysts. We expect that only a limited number of analysts will cover our company following our initial public offering. If the number of analysts that cover us declines, demand for our Class A common stock could decrease and our Class A common stock price and trading volume may decline. Even if our Class A common stock is actively covered by analysts, we do not have any control over the analysts or the measures that analysts or investors may rely upon to forecast our future results. Over-reliance by analysts or investors on any particular metric to forecast our future results may result in forecasts that differ significantly from our own.

Regardless of accuracy, unfavorable interpretations of our financial information and other public disclosures could have a negative impact on our stock price. If our financial performance fails to meet analyst estimates, for any of the reasons discussed above or otherwise, or one or more of the analysts who cover us downgrade our Class A common stock or change their opinion of our Class A common stock, our stock price would likely decline.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements. All statements other than statements of historical facts contained in this prospectus, including statements regarding our future results of operations and financial position, business strategy, product candidates, planned preclinical studies and clinical trials, results of clinical trials, research and development costs, manufacturing costs, regulatory approvals, timing and likelihood of success, as well as plans and objectives of management for future operations, are forward-looking statements. These statements involve known and unknown risks, uncertainties, and other important factors that are in some cases beyond our control and may cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements.

In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “would,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “believe,” “estimate,” “predict,” “potential,” “seek,” “aim,” or “continue” or the negative of these terms or other similar expressions. Forward-looking statements contained in this prospectus include, but are not limited to, statements about:

- the progress and focus of our current and future clinical trials in the United States and abroad, and the reporting of data from those trials;
- our ability to advance product candidates into and successfully complete clinical trials;
- the beneficial characteristics, safety, efficacy, and therapeutic effects of our product candidates;
- our potential and ability to successfully manufacture and supply our product candidates for clinical trials and for commercial use, if approved;
- our ability to redesign and conduct additional preclinical and clinical studies of any future design of the RaniPill capsule to accommodate target payloads that are larger than the current capacity of the RaniPill capsule;
- our ability to further develop and expand our platform technology;
- our ability to utilize our technology platform to generate and advance additional product candidates;
- the accuracy of our estimates regarding expenses, future revenue, capital requirements, and needs for additional financing;
- our financial performance;
- our plans relating to commercializing our product candidates, if approved;
- our ability to selectively enter into strategic partnership and the expected potential benefits thereof;
- the implementation of our strategic plans for our business and product candidates;
- our ability to continue to scale and optimize our manufacturing processes by expanding our use of automation;
- our estimates of the number of patients in the United States who suffer from the indications we target and the number of patients that will enroll in our clinical trials;
- the size of the market opportunity for our product candidates in each of the indications we target;

- our ability to continue to innovate and expand our intellectual property by developing novel formulations and new applications of the RaniPill capsule;
- our plans and ability to obtain or protect intellectual property rights, including extensions of existing patent terms where available;
- the scope of protection we are able to establish and maintain for intellectual property rights, including our technology platform and product candidates;
- the sufficiency of our existing cash and cash equivalents to fund our future operating expenses and capital expenditure requirements;
- our expectations regarding the impact of the COVID-19 pandemic on our business;
- developments relating to our competitors and our industry, including competing product candidates and therapies;
- our expectations regarding the period during which we will qualify as an emerging growth company under the JOBS Act;
- our expectations regarding the timing and consummation of the Organizational Transactions; and
- our anticipated use of the net proceeds from this offering.

We have based these forward-looking statements largely on our current expectations and projections about our business, the industry in which we operate and financial trends that we believe may affect our business, financial condition, results of operations, and prospects, and these forward-looking statements are not guarantees of future performance or development. These forward-looking statements speak only as of the date of this prospectus and are subject to a number of risks, uncertainties, and assumptions described in the section titled “Risk Factors” and elsewhere in this prospectus. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein until after we distribute this prospectus, whether as a result of any new information, future events, or otherwise.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this prospectus, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and you are cautioned not to unduly rely upon these statements.

MARKET, INDUSTRY, AND OTHER DATA

This prospectus contains estimates, projections, and other information concerning our industry, our business, and the markets for our product candidates, including data regarding the estimated size of such markets and the incidence of certain medical conditions. We obtained the market, industry, and other data set forth in this prospectus from our internal estimates and research and from academic and industry research, publications, surveys, and studies conducted by third parties, including governmental agencies. In some cases, we do not expressly refer to the sources from which this data is derived. All of the market, industry, and other data used in this prospectus involves a number of assumptions and limitations. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances that are assumed in this information. While we believe that the information from these industry research, publications, surveys and studies is reliable, the industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of important factors, including those described in the section titled “Risk Factors.” These and other factors could cause results to differ materially from those expressed in the estimates made by third parties and by us.

USE OF PROCEEDS

We estimate, based upon an assumed initial public offering price of $ per share of our Class A common stock, we will receive net proceeds from this offering of approximately $ million (or $ million if the underwriters exercise in full their option to purchase additional shares of Class A common stock, after deducting the underwriting discounts and commissions and estimated offering expenses payable by us.

We intend to use all of the net proceeds to us from this offering to purchase newly issued LLC Interests (or LLC Interests if the underwriters exercise in full their option to purchase additional shares of Class A common stock) directly from Rani LLC at a purchase price per LLC Interest equal to the initial public offering price per share of Class A common stock less the underwriting discounts and commissions.

We intend to cause Rani LLC to use such proceeds (together with any additional proceeds it may receive if the underwriters exercise their option to purchase additional shares of Class A common stock), after deducting estimated offering expenses, together with our existing cash and cash equivalents, as follows:

(i) approximately $ million to $ million to advance our internal pipeline;

(ii) approximately $ million to $ million to advance manufacturing scale-up and automation;

(iii) approximately $1.3 million to repay the outstanding PPP Loan with Comerica Bank, which has a fixed interest rate of 1.0% and a maturity date two years from the April 13, 2020 date of the note;

(iv) approximately $ million to $ million to advance research and development programs; and

(v) use the remaining proceeds for working capital and other general corporate purposes.

We believe, based on our current operating plan, our existing cash and cash equivalents as of June 2021 will be sufficient to fund our operations for at least the next 12 months. We believe that the net proceeds from this offering will allow us to initiate our planned clinical development to the end of 2023, which includes initiating a repeat dose platform study for RT-101 and initiating phase 1 clinical trials for RT-105, RT-102, RT-109 and RT-110.

We will need to raise additional capital from equity offerings or debt financings, collaboration agreements, or other arrangements with other companies, or through other sources of financing to fund regulatory approval and commercialization of our product candidates.

Our expected use of proceeds from this offering described above represents our current intentions based on our present plans and business condition. As of the date of this prospectus, we cannot predict with certainty all of the particular uses for the proceeds to be received upon the closing of this offering or the actual amounts that we will spend on the uses set forth above.

Assuming the underwriters do not exercise in full their option to purchase additional shares of Class A common stock, each $1.00 increase or decrease in the assumed initial public offering price of $ per share (which is the midpoint of the estimated public offering price range set forth on the cover page of this prospectus) would increase or decrease the net proceeds to us from this offering by approximately $ million, assuming the number of shares of Class A common stock offered, as set forth on the cover page of this prospectus, remains the same, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

Each 1,000,000 increase or decrease in the number of shares of Class A common stock offered in this offering would increase or decrease the net proceeds to us from this offering by approximately $ million, assuming that the initial public offering price per share for the offering remains at $, and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us.

As of the date of this prospectus, since we cannot specify with certainty all of the particular uses for the net proceeds to be received upon the completion of this offering, our management will have broad discretion over the use of any net proceeds from this offering that are to be applied for general corporate purposes. Pending the use of the proceeds from this offering, we intend to invest the net proceeds in short-term, interest-bearing, investment grade securities, certificates of deposit or governmental securities.

DIVIDEND POLICY

We do not anticipate declaring or paying any cash dividends to holders of our Class A common stock in the foreseeable future. We currently intend to retain future earnings, if any, to finance the growth of our business. If we decide to pay cash dividends in the future, the declaration and payment of such dividends will be at the sole discretion of our board of directors and may be discontinued at any time. Holders of our Class B common stock are not entitled to participate in any dividends declared by our board of directors. In determining the amount of any future dividends, our board of directors will take into account any legal or contractual limitations, our actual and anticipated future earnings, cash flow, debt service and capital requirements and other factors that our board of directors may deem relevant.

Upon the completion of this offering, Rani Holdings will be a holding company and will have no material assets other than its ownership of LLC Interests. Accordingly, we will depend on distributions from Rani LLC to pay our taxes and expenses, including payments under the Tax Receivable Agreement. The limited liability company agreement of Rani LLC that will be in effect at the time of this offering provides that certain distributions intended to cover the taxes of Rani LLC's owners will be made based upon assumed tax rates and other assumptions provided in the Rani LLC Agreement. See the section titled "Certain Relationships and Related Person Transactions—Rani LLC Agreement." Additionally, in the event Rani Holdings declares any cash dividends, we intend to cause Rani LLC to make distributions to Rani Holdings in an amount sufficient to cover such cash dividends declared by us. If Rani LLC makes such distributions to Rani Holdings, the Continuing LLC Owners will also be entitled to receive the respective equivalent pro rata distributions in accordance with the percentages of their respective LLC Interests. See the section titled "Risk Factors—Risks Related to Our Organizational Structure." To the extent that the tax distributions we receive exceed the amounts we actually require to pay taxes, Tax Receivable Agreement payments, and other expenses, we will not be required to distribute such excess cash.

Rani LLC's ability to make such distributions may be subject to various limitations and restrictions. In addition, Rani LLC is generally prohibited under Delaware law from making a distribution to a member to the extent that, at the time of the distribution, after giving effect to the distribution, liabilities of Rani LLC (with certain exceptions) exceed the fair value of its assets. Rani LLC's subsidiary is generally subject to similar legal limitations on its ability to make distributions to Rani LLC.

ORGANIZATIONAL TRANSACTIONS

Existing Organization

Prior to the completion of this offering and the Organizational Transactions described below, the Former LLC Owners and the Continuing LLC Owners were the only owners of Rani LLC. Rani LLC is treated as a partnership for U.S. federal income tax purposes and, as such, generally is not subject to any U.S. federal entity-level income taxes (with the exception of its subsidiary, which is subject to entity-level income taxes). Rather, taxable income or loss is included in the U.S. federal income tax returns of Rani LLC's members.

Rani Holdings was incorporated as a Delaware corporation on April 6, 2021 and is the issuer of the Class A common stock being offered in this offering.

Organizational Transactions

In connection with the closing of this offering, we will consummate the following organizational transactions, which we refer to as the "Organizational Transactions":

- we will amend and restate the Rani LLC Agreement to, among other things, appoint Rani Holdings as the sole managing member of Rani LLC and effectuate a recapitalization of all outstanding (i) convertible preferred, automatic or net exercised warrants to purchase preferred units, and common units into a single class of economic nonvoting Class A units and an equal number of voting noneconomic Class B units of Rani LLC and (ii) Profits Interests into a single class of economic nonvoting Class A units of Rani LLC. We will otherwise operate as a holding company. Rani Holdings will include Rani LLC in its consolidated financial statements;

- we will amend and restate Rani Holdings certificate of incorporation to, among other things, provide for Class A common stock, each share of which entitles its holders to one vote per share, Class B common stock, each share of which entitles its holders to 10 votes per share on all matters presented to Rani Holdings' stockholders, and Class C common stock, will have no voting rights, except as otherwise required by law;

- generally, we expect the majority of Profits Interests, other than those held by directors and officers, will be exchanged for Class A common stock of Rani Holdings on a one-for-one basis at the election of the holder;

- we expect to award stock options to purchase an aggregate of shares of Class A common stock with an exercise price set at the initial public offering price pursuant to the 2021 Plan and add vesting restriction agreements to shares of Class A common stock held by certain employees;

- generally, the Former LLC Owners will exchange their LLC Interests for shares of Class A common stock, representing (i) approximately % of the combined voting power of all of Rani Holdings' common stock (or approximately %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock) and (ii) approximately % of the economic interest in the business of Rani LLC and its subsidiary (or approximately %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock), indirectly through Rani Holdings' ownership of LLC Interests;

- the Continuing LLC Owners will continue to own the LLC Interests they receive in exchange for their outstanding common units in Rani LLC, representing approximately % of the economic interest in the business of Rani LLC and its subsidiary (or approximately %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock), and

Continuing LLC Owners who received voting noneconomic Class B units in the recapitalization will contribute those Class B units to Rani Holdings in exchange for a corresponding number of shares of Class B common stock, each share of which entitles its holder to 10 votes per share;

- the LLC Interests, following the completion of this offering, will be redeemable, at the Continuing LLC Owners' election, for newly issued shares of Class A common stock on a one-for-one basis (subject to customary adjustments, including for stock splits, stock dividends and reclassifications) in accordance with the terms of the Rani LLC Agreement; provided that, at Rani Holdings' election, Rani Holdings may effect a direct exchange of such Class A common stock or make a cash payment equal to a volume weighted average market price of one share of Class A common stock for each LLC Interest redeemed in accordance with the terms of the Rani LLC Agreement. Shares of Class B common stock will be cancelled on a one-for-one basis if we, at the election of the Continuing LLC Owners that hold Class B common stock, redeem or exchange such holders' LLC Interests pursuant to the terms of the Rani LLC Agreement;

- Rani Holdings will enter into (i) the Tax Receivable Agreement, with certain of the Continuing LLC Owners, and (ii) a registration rights agreement, or the Registration Rights Agreement, with certain of the Continuing LLC Owners;

- Rani Holdings will issue shares of Class A common stock to the purchasers in this offering (or shares of our Class A common stock if the underwriters exercise in full their option to purchase additional shares of Class A common stock);

- Rani Holdings will use all of the net proceeds from this offering (including any net proceeds received upon exercise of the underwriters' option to purchase additional shares of Class A common stock) to acquire newly issued LLC Interests from Rani LLC at a purchase price per interest equal to the initial public offering price per share of Class A common stock, less underwriting discounts and commissions, collectively representing % of Rani LLC's outstanding LLC Interests (or %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock). Following the completion of this offering, Rani Holdings will hold a number of LLC Interests that is equal to the number of shares of Class A common stock that it has issued, a relationship that we believe fosters transparency because it results in a single share of Class A common stock representing the same percentage ownership in Rani LLC as a single unit of LLC Interests.; and

- Rani LLC will use the proceeds from the sale of LLC Interests to Rani Holdings as described in the section titled "Use of Proceeds."

Organizational Structure Following This Offering

Immediately following the completion of the Organizational Transactions, including this offering:

- Rani Holdings will be a holding company and the principal asset of Rani Holdings will be our interests in Rani LLC;

- Rani Holdings will be the sole managing member of Rani LLC and will control the business and affairs of Rani LLC and its subsidiary;

- Rani Holdings' amended and restated certificate of incorporation and the Rani LLC Agreement will require that we and Rani LLC at all times maintain a one-to-one ratio between the number of shares of Class A common stock issued by us and the number of LLC Interests owned by us, as well as a one-to-one ratio between the number of shares of Class B common stock owned by certain of the Continuing LLC Owners and the number of LLC Interests owned by such Continuing LLC Owners;

- Rani Holdings will own LLC Interests representing % of the economic interest in Rani LLC (or %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock);

- the purchasers in this offering (i) will own shares of Class A common stock, representing approximately % of the combined voting power of all of Rani Holdings common stock (or shares of Class A common stock, representing approximately %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock), (ii) will own % of the economic interest in Rani Holdings (or %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock) and (iii) through Rani Holdings ownership of LLC Interests, indirectly will hold (applying the percentages in the preceding clause (ii) to Rani Holdings percentage economic interest in Rani LLC) approximately % of the economic interest in Rani LLC (or % if the underwriters exercise in full their option to purchase additional shares of Class A common stock);

- the Former LLC Owners (i) will own shares of Class A common stock, representing approximately % of the combined voting power of all of Rani Holdings common stock (or approximately %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock), (ii) will own % of the economic interest in Rani Holdings (or %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock) and (iii) through Rani Holdings ownership of LLC Interests, indirectly will hold (applying the percentages in the preceding clause (ii) to Rani Holdings percentage economic interest in Rani LLC) approximately % of the economic interest in Rani LLC (or %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock);

- the Continuing LLC Owners will own (i) through their ownership of Class B common stock, if relevant, approximately % of the voting power in Rani Holdings (or approximately %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock) and (ii) LLC Interests, representing % of the economic interest in Rani LLC (or %, if the underwriters exercise in full their option to purchase additional shares of Class A common stock). Following the completion of the offering, each LLC Interest held by the Continuing LLC Owners will be redeemable, at their election (subject to the terms of the Rani LLC Agreement), for newly issued shares of Class A common stock on a one-for-one basis (subject to customary adjustments, including for stock splits, stock dividends and reclassifications) in accordance with the terms of the Rani LLC Agreement; provided that, at Rani Holdings election, Rani Holdings may effect a direct exchange of such Class A common stock or a cash payment equal to a volume weighted average market price of one share of Class A common stock for each LLC Interest redeemed in accordance with the terms of the Rani LLC Agreement. Shares of Class B common stock will be cancelled on a one-for-one basis if we, at the election of the Continuing LLC Owners, redeem or exchange its LLC Interests pursuant to the terms of the Rani LLC Agreement. See the section titled “Certain Relationships and Related Person Transactions—Rani LLC Agreement;” and

- Rani Holdings will enter into (i) the Tax Receivable Agreement with certain of the Continuing LLC Owners and (ii) the Registration Rights Agreement with certain of the Continuing LLC Owners.

Our corporate structure following the completion of this offering, as described below, is commonly referred to as an umbrella partnership-C-corporation, or Up-C, structure, which is often used by partnerships and limited liability companies when they undertake an initial public offering of their business. The Up-C structure will allow the Continuing LLC Owners to retain their equity ownership in Rani LLC and to continue to realize tax benefits associated with owning interests in an entity that is treated as a partnership, or “passthrough” entity, for U.S. federal income tax purposes following the completion of the offering. Investors in this offering will, by contrast, hold their equity ownership in Rani Holdings, a Delaware corporation that is a domestic corporation for

U.S. federal income tax purposes, in the form of shares of Class A common stock. The Former LLC Owners will hold their equity ownership in Rani Holdings in the form of shares of Class A common stock. The Continuing LLC Owners will hold LLC Interests and, in the case of Continuing LLC Owners other than Continuing LLC Owners who are legacy holders of Profits Interests who do not exchange their LLC Interests for shares of our Class A common stock in connection with the completion of this offering, an equal number of shares of Class B common stock in Rani Holdings. One of the tax benefits to the Continuing LLC Owners associated with this structure is that future taxable income of Rani LLC that is allocated to the Continuing LLC Owners will be taxed on a flow-through basis and therefore will not be subject to corporate taxes at the entity level. Additionally, the Continuing LLC Owners may redeem or exchange their LLC Interests for newly issued shares of our Class A common stock on a one-for-one basis or, at our option, for cash. The Up-C structure also provides the Continuing LLC Owners with potential liquidity that holders of non-publicly traded limited liability companies are not typically afforded. If we generate sufficient taxable income, Rani Holdings expects to benefit from the Up-C structure because, in general, we expect cash tax savings in amounts equal to 15% of the tax benefits, as described above, arising from such redemptions or exchanges of the Continuing Owners' LLC Interests for Class A Common Stock or cash and certain other tax benefits covered by the Tax Receivable Agreement discussed in the section titled "Certain Relationships and Related Person Transactions—Tax Receivable Agreement." See the section titled "Risk Factors—Risks Related to Our Organizational Structure."

Immediately following the completion of this offering and the application of net proceeds therefrom, Rani Holdings will be a holding company and our principal asset will be the noneconomic voting Class B common units and the LLC Interests we purchase from Rani LLC and acquire from the Former LLC Owners. As a result, Rani Holdings will have no independent means of generating revenue. As the sole managing member of Rani LLC, Rani Holdings will operate and control all of the business and affairs of Rani LLC and, through Rani LLC and its subsidiary, conduct our business. Accordingly, we will have the sole voting interest in, and control the management of, Rani LLC. As a result, Rani Holdings will consolidate Rani LLC in our consolidated financial statements and will report a non-controlling interest related to the LLC Interests held by the Continuing LLC Owners on our consolidated financial statements. Rani Holdings will have a board of directors and executive officers and employees.

Rani LLC will be treated as a partnership for U.S. federal income tax purposes and, as such, will generally not be subject to U.S. federal income tax. Instead, taxable income will be allocated to holders of LLC Interests, including Rani Holdings. Accordingly, Rani Holdings will incur income taxes on its allocable share of any net taxable income of Rani LLC. Pursuant to the Rani LLC Agreement, Rani LLC will make cash distributions to the owners of LLC Interests in an amount sufficient to fund their tax obligations in respect of the cumulative taxable income in excess of cumulative taxable losses of Rani LLC that is allocated to them, to the extent previous tax distributions from Rani LLC have been insufficient. In addition to tax expenses, Rani Holdings also will incur expenses related to its operations, plus payments under the Tax Receivable Agreement, which Rani Holdings expects will be significant. Rani Holdings intends to cause Rani LLC to make distributions or, in the case of certain expenses, payments in an amount sufficient to allow Rani Holdings to pay its taxes and operating expenses, including distributions to fund any ordinary course payments due under the Tax Receivable Agreement.

As the sole managing member of Rani LLC, Rani Holdings will have the right to determine when distributions will be made to the holders of LLC Interests in Rani LLC and the amount of any such distributions (subject to the requirements with respect to the tax distributions described above). If Rani Holdings authorizes a distribution, such distribution will be made to the holders of LLC Interests, including Rani Holdings, pro rata in accordance with their respective ownership of Rani LLC, provided that Rani Holdings as sole managing member will be entitled to non-pro rata distributions for certain fees and expenses.

As noted above, certain of the Continuing LLC Owners will also hold a number of shares of our Class B common stock initially equal to the number of LLC Interests held by such person. Although these shares have no economic rights, they will allow such Continuing LLC Owners to directly exercise voting power at Rani Holdings, the sole managing member of Rani LLC. Under Rani Holdings' amended and restated certificate of incorporation, each share of Class B common stock will be entitled to 10 votes per share.

The Rani LLC Agreement will provide that as a general matter a Continuing LLC Owner will not have the right to exchange LLC Interests if Rani Holdings determines that such exchange would be prohibited by law or regulation or would violate other agreements with us to which the Continuing LLC Owner may be subject, including the Rani LLC Agreement. Additionally, the Rani LLC Agreement contains restrictions on redemptions and exchanges intended to prevent Rani LLC from being treated as a "publicly traded partnership" for U.S. federal income tax purposes. These restrictions are modeled on certain safe harbors provided for under applicable U.S. federal income tax law. Rani Holdings may impose additional restrictions on exchange that Rani Holdings determines to be necessary or advisable so that Rani LLC is not treated as a "publicly traded partnership" for U.S. federal income tax purposes. As a holder redeems or exchanges LLC Interests, the number of LLC Interests held by Rani Holdings is correspondingly increased, and if the redeeming or exchanging Continuing LLC Owner holds Class B common stock, a corresponding number of such shares of Class B common stock are cancelled. See the section titled "Certain Relationships and Related Person Transactions—Rani LLC Agreement."

Following This Offering

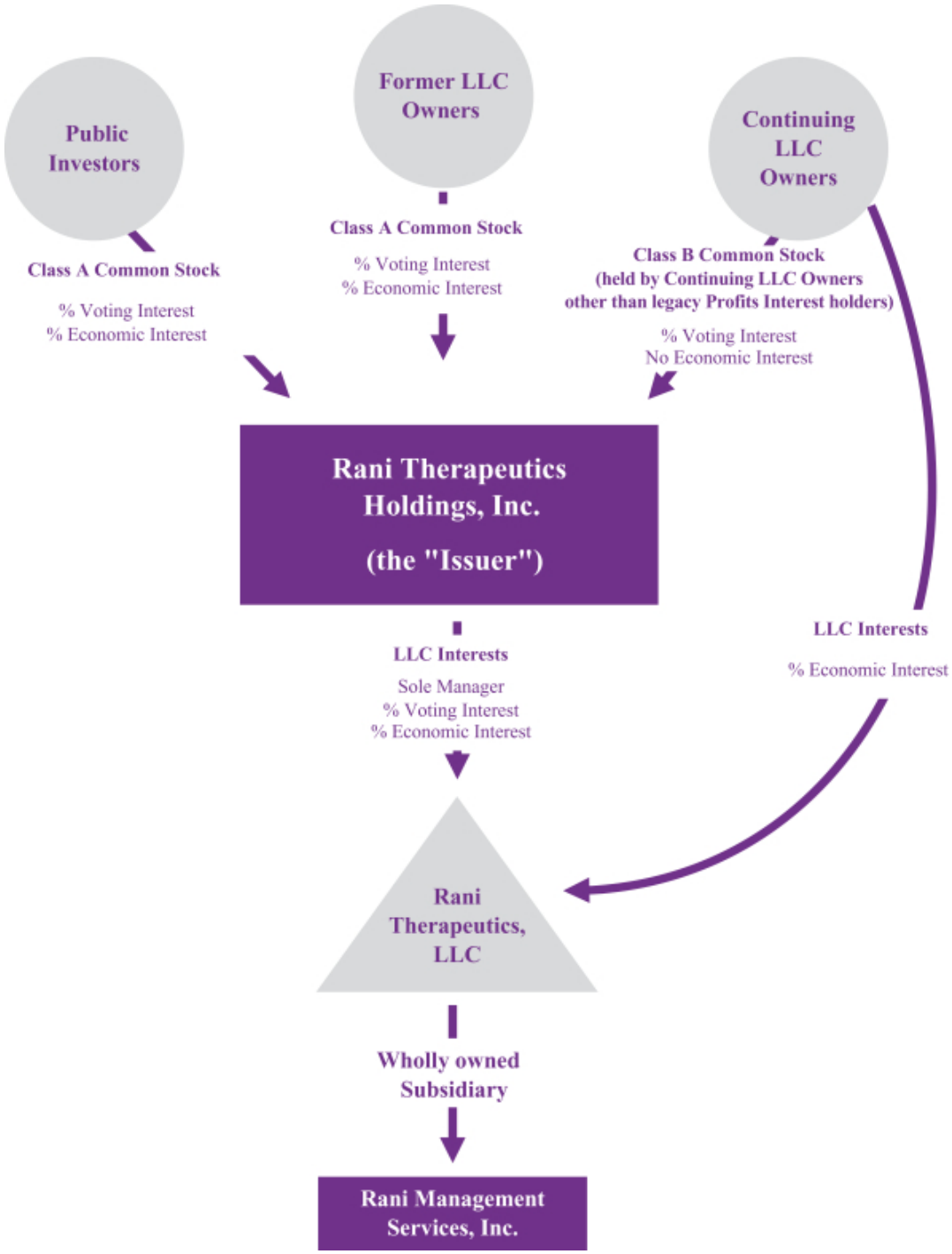
The Continuing LLC Owners of Rani LLC, from time to time following the completion of this offering, may, subject to the terms of the Rani LLC Agreement, exchange their LLC Interests for common stock on a one to one basis in accordance with the terms of the Rani LLC Agreement, and if the redeeming or exchanging Continuing LLC Owner holds Class B common stock, a corresponding number of such shares of Class B common stock will be cancelled; provided that, at Rani Holdings' election, Rani Holdings may effect a direct exchange of such Class A common stock or make a cash payment equal to a volume weighted average market price of one share of Class A common stock for each LLC Interest redeemed in accordance with the terms of the Rani LLC Agreement. Any shares of Class B common stock will be cancelled on a one-for-one basis if we, at the election of the Continuing LLC Owners, redeem or exchange such LLC Interests pursuant to the terms of the Rani LLC Agreement. These exchanges and redemptions are expected to result in increases in the tax basis of the assets of Rani LLC that otherwise would not have been available. Increases in tax basis resulting from such exchanges may reduce the amount of tax that Rani Holdings would otherwise be required to pay in the future. This tax basis may also decrease the gains (or increase the losses) on future dispositions of certain assets to the extent tax basis is allocated to those assets.

Rani Holdings will enter into a Tax Receivable Agreement with certain of the Continuing LLC Owners that will provide for the payment by Rani Holdings of 85% of the amount of the calculated tax savings, if any, that Rani Holdings realizes, or in some circumstances is deemed to realize, as a result of this existing and increased tax basis and certain other tax benefits related to it entering into the Tax Receivable Agreement, including tax benefits attributable to payments under the Tax Receivable Agreement. These payment obligations are obligations of Rani Holdings and not of Rani LLC. See the section titled "Certain Relationships and Related Person Transactions—Tax Receivable Agreement" for additional information.

Rani Holdings may accumulate cash balances in future years resulting from distributions from Rani LLC exceeding its tax or other liabilities. To the extent Rani Holdings does not use such cash balances to pay a dividend on or repurchase shares of Class A common stock and instead decides to hold or recontribute such cash balances to Rani LLC for use in its operations, Continuing LLC Owners who exchange LLC Interests and, if applicable, shares of Class B common stock for shares of Class A common stock in the future could also benefit from any value attributable to such accumulated cash balances.

See the section titled "Description of Capital Stock" for more information about our amended and restated certificate of incorporation and the terms of the Class A common stock, Class B common stock and Class C common stock. See the section titled "Certain Relationships and Related Person Transactions" for more information about (i) the Rani LLC Agreement, including the terms of the LLC Interests and the redemption right of the Continuing LLC Owners; (ii) the Tax Receivable Agreement; and (iii) the Registration Rights Agreement. See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Source of Liquidity" for more information about expected payments under the Tax Receivable Agreement.

The diagram below depicts our organizational structure after giving effect to the Organizational Transactions, including this offering, assuming no exercise by the underwriters of their option to purchase additional shares of Class A common stock:



CAPITALIZATION

The following table sets forth the cash and cash equivalents and consolidated capitalization as of March 31, 2021:

- of Rani LLC and its subsidiary on an actual basis; and
- of Rani Holdings on a pro forma basis, after giving effect to:
  - the conversion of all outstanding units of our convertible preferred units as of March 31, 2021 into a of a single class of economic nonvoting Class A units and an equal number of voting noneconomic Class B units and the related reclassification of the carrying value of our convertible preferred units converted to our common units as permanent equity;
  - the repayment in full our outstanding PPP Loan with Comerica Bank which, as of March 31, 2021, had an outstanding principal balance of $1.3 million;
  - the Organizational Transactions, including our issuance and sale of shares of Class A common stock in this offering at an assumed initial public offering price of $ per share, the midpoint of the price range listed on the cover page of this prospectus after (x) deducting the underwriting discounts and commissions and estimated offering expenses payable by us and (y) the application of the proceeds from the offering, each as described under “Use of Proceeds”; and
  - the issuance of shares of Class A common stock issuable upon the automatic conversion or net exercise of warrants to purchase units outstanding as of March 31, 2021, assuming an initial public offering price of $ per share (the midpoint of the price range listed on the cover page of the prospectus).

You should read this information together with our consolidated financial statements and related notes appearing elsewhere in this prospectus and the information set forth in the sections titled “Prospectus Summary—Summary Consolidated Historical and Pro Forma Financial Data,” “Organizational Transactions,” “Use of Proceeds,” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations”.

(in thousands, except share and unit amounts and par value)	As of March 31, 2021		
	Historical Rani LLC	Pro Forma for the Organizational Transactions (1)	Pro Forma As Adjusted for the Organizational Transactions and the Offering
		(unaudited)	
Cash and cash equivalents	$ 76,662	$	$
Long-term debt	$ 1,892	$	$
Convertible preferred units, 32,620,000 units authorized, issued and 27,629,804 outstanding actual; no units authorized, issued or outstanding pro forma or pro as forma adjusted	191,034		
Member's deficit / stockholders' equity:			
Common units, 101,000,000 units authorized and 46,896,280 units issued and outstanding; no units authorized, issued or outstanding pro forma or pro as forma adjusted	1,130		
Class A common stock, $0.0001 par value per share, no shares authorized, issued or outstanding, on an actual basis; shares authorized, shares issued and outstanding, on a pro forma basis; shares authorized; shares issued and outstanding, on a pro forma as adjusted basis	—		
Class B common stock, $0.0001 par value per share, no shares authorized, issued or outstanding, on an actual basis; shares authorized; shares issued and outstanding, on a pro forma basis; shares authorized; shares issued and outstanding, on a pro forma as adjusted basis	—		
Class C common stock, $0.0001 par value per share, no shares authorized, issued or outstanding, on an actual basis; shares authorized; no shares issued and outstanding, on a pro forma basis; shares authorized; no shares issued and outstanding, on a pro forma as adjusted basis	—		
Additional paid-in-capital	—		
Accumulated deficit	(119,601)		
Total members' (deficit)/stockholders' equity	(118,471)		
Non-controlling interest(1)	—		
Total capitalization	$ 74,445	$	$

(1) On a pro forma as adjusted basis, includes the Rani LLC interests not owned by us, which represents % of Rani LLC's LLC Interests. The Continuing LLC Owners will hold the non-controlling economic interest in Rani LLC. Rani Holdings will hold % of the economic interest in Rani LLC.

The number of shares of Class A common stock to be outstanding after this offering is based on the units of Rani LLC outstanding as of March 31, 2021 and excludes:

- shares of Class A common stock reserved as of the closing date of this offering for future issuance upon redemption or exchange of LLC Interests by the Continuing LLC Owners;
- shares of Class A common stock issuable upon exchange of outstanding Profits Interests by Former LLC Owners;
- shares of Class A common stock issuable upon the conversion of our loan and security agreement with Avenue Venture Opportunities Fund, L.P., or Avenue, which is convertible at

Avenue's election in connection with this offering (based on an assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus);

- shares of Class A common stock, plus future increases, reserved for issuance under the ESPP, which will become effective upon the execution of the underwriting agreement for this offering;

- shares of Class A common stock reserved for future issuance under our 2021 Plan which will become effective upon the execution of the underwriting agreement for this offering; and

- 2,292,309 Class A common units issuable upon the exercise of options granted by Rani LLC to certain of our employees, executive officers and directors under our 2016 Equity Incentive Plan, at an exercise price of $4.99 per unit, which options will be automatically exchanged for stock options exercisable into Class A common stock of Rani Holdings.

DILUTION

The Continuing LLC Owners will maintain their LLC Interests in Rani LLC after the Organizational Transactions. Because the Continuing LLC Owners do not own any Class A common stock or have any right to receive distributions from Rani, we have presented dilution in pro forma net tangible book value per share after this offering assuming the Continuing LLC Owners had their LLC Interests redeemed or exchanged for newly issued shares of Class A common stock on a one-for-one basis (rather than for cash), and the cancellation for no consideration of all of its shares of Class B common stock (which are not entitled to distributions from Rani Holdings), in order to more meaningfully present the dilutive impact on the investors in this offering. We refer to the assumed redemption or exchange of all LLC Interests owned by the Continuing LLC Owners for shares of Class A common stock as described in the previous sentence as the "Assumed Redemption." We also note that the effect of the Assumed Redemption is to increase the assumed number of shares of Class A common stock outstanding before the offering, thereby decreasing the pro forma net tangible book value per share before the offering and correspondingly increasing the dilution per share to new Class A common stock investors.

Dilution is the amount by which the offering price paid by the purchasers of the Class A common stock in this offering exceeds the pro forma net tangible book value per share of Class A common stock after the offering. Rani LLC's pro forma net tangible book value as of March 31, 2021 was $ million. Net tangible book value per share is determined at any date by subtracting our total liabilities from the total book value of our tangible assets and dividing the difference by the number of shares of Class A common stock deemed to be outstanding at that date.

If you invest in our Class A common stock in this offering, your ownership interest will be immediately diluted to the extent of the difference between the initial public offering price per share and the pro forma net tangible book value per share of our Class A common stock after this offering.

Pro forma net tangible book value per share is determined at any date by subtracting our total liabilities from the total book value of our tangible assets and dividing the difference by the number of shares of Class A common stock, after giving effect to the Organizational Transactions, including this offering, and the Assumed Redemption. Our pro forma net tangible book value as of March 31, 2021 would have been $ million, or $ per share of Class A common stock. This amount represents an immediate increase in pro forma net tangible book value of $ per share to our existing stockholders and an immediate dilution in pro forma net tangible book value of $ per share to new investors purchasing shares of Class A common stock in this offering. We determine dilution by subtracting the pro forma net tangible book value per share after this offering from the amount of cash that a new investor paid for a share of Class A common stock. The following table illustrates this dilution:

Assumed initial public offering price per Class A share		$
Pro forma net tangible book value per share as of March 31, 2021 before this offering[1][2]	$	
Increase in pro forma net tangible book value per share attributable to investors in this offering		
Pro forma net tangible book value per share after this offering		
Dilution per share to new Class A common stock investors in this offering		$

(1) The computation of pro forma net tangible book value per share as of March 31, 2021 before this offering and after the Assumed Redemption is set forth below:

Numerator:	
Book value of tangible assets	$
Less: total liabilities	
Pro forma net tangible book value[(a)]	$
Denominator:	
Shares of Class A common stock outstanding immediately prior to this offering and after Assumed Redemption	
Pro forma net tangible book value per share	$

(a) Gives pro forma effect to the Organizational Transactions (other than this offering) and the Assumed Redemption.

(2) The computation of pro forma net tangible book value per share as of March 31, 2021 before this offering and before the Assumed Redemption is set forth below:

Numerator:	
Book value of tangible assets	$
Less: total liabilities	
Pro forma net tangible book value[(a)]	$
Denominator:	
Shares of Class A common stock outstanding immediately prior to this offering and prior to any Assumed Redemption	
Pro forma net tangible book value per share	$

(a) Gives pro forma effect to the Organizational Transactions (other than this offering) and excludes the Assumed Redemption.

If the underwriters exercise in full their option to purchase additional shares of our Class A common stock in this offering, the pro forma net tangible book value after the offering would be $ per share, the increase in pro forma net tangible book value per share to existing stockholders would be $ and the dilution per share to new investors would be $ per share, in each case assuming an initial public offering price of $ per share, which is the midpoint of the price range listed on the cover page of this prospectus.

The following table summarizes, as of March 31, 2021 after giving effect to this offering, the Organizational Transactions and the differences between the Continuing LLC Owners and new investors in this offering with regard to:

- the number of shares of Class A common stock purchased from us by investors in this offering and the number of shares issued to the Continuing LLC Owners after giving effect to the Assumed Redemption,
- the total consideration paid to us in cash by investors purchasing shares of Class A common stock in this offering and by the Continuing LLC Owners, and
- the average price per share of Class A common stock that such Continuing LLC Owners and new investors paid.
- The table below is based on an assumed initial public offering price of $ per share, which is the midpoint of the price range listed on the cover page of this prospectus, before deducting the underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares of Class A Common Stock Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
Continuing LLC Owners		%	$	%	$
New investors in this offering					
Total		%	$	%	$

Except as otherwise indicated, the discussion and the tables above assume no exercise of the underwriters' option to purchase additional shares of Class A common stock. The number of shares of our Class A common stock outstanding after this offering as shown in the tables above is based on the units of Rani LLC outstanding as of March 31, 2021, and excludes:

- shares of Class A common stock reserved as of the closing date of this offering for future issuance upon redemption or exchange of LLC Interests by the Continuing LLC Owners;
- shares of Class A common stock issuable upon exchange of outstanding Profits Interests by Former LLC Owners;
- shares of Class A common stock issuable upon the conversion of our loan and security agreement with Avenue Venture Opportunities Fund, L.P., or Avenue, which is convertible at Avenue's election in connection with this offering (based on an assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus);
- shares of Class A common stock, plus future increases, reserved for issuance under the ESPP, which will become effective upon the execution of the underwriting agreement for this offering;
- shares of Class A common stock reserved for future issuance under the 2021 Plan, which will become effective upon the execution of the underwriting agreement for this offering; and
- 2,292,309 Class A common units issuable upon the exercise of options granted by Rani LLC to certain of our employees, executive officers and directors under our 2016 Equity Incentive Plan, at an exercise price of $4.99 per unit, which options will be automatically exchanged for stock exercisable into Class A common stock of Rani Holdings.

Notwithstanding the foregoing, to the extent there is an increase in the public offering price, the number of Class A shares outstanding and Class A shares issuable upon redemption of LLC Interests would decrease from the amounts noted herein; to the extent there is a decrease in the public offering price, the number of Class A shares outstanding and Class A shares issuable upon redemption of LLC Interests would increase. However, to the extent there is an increase in the public offering price, the number of Class A shares issuable under awards would increase from the amounts noted herein; to the extent there is a decrease in the public offering price, the number of Class A shares issuable under awards would decrease. A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, would result in a net decrease (increase) of approximately in the aggregate number of Class A shares outstanding, Class A shares issuable upon redemption of LLC Interests and Class A shares issuable under stock awards. The relative magnitude of the change in Class A shares outstanding and Class A shares issuable upon redemption of LLC Interests decreases as the share price moves further away from the midpoint.

To the extent that any outstanding warrants are exercised or other equity awards are issued under our equity incentive plans, or we issue additional equity or convertible debt securities in the future, there will be further dilution to new investors participating in this offering.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The unaudited pro forma condensed consolidated balance sheet as of March 31, 2021 and the unaudited pro forma condensed consolidated statements of operations and comprehensive loss for the three months ended March 31, 2021 and the year ended December 31, 2020 present our consolidated financial position and results of operations after giving pro forma effect to:

(1) The Organizational Transactions described under the section titled "Organizational Structure," as if such transactions occurred on March 31, 2021 for the unaudited pro forma condensed consolidated balance sheet and on January 1, 2020 for the unaudited pro forma condensed consolidated statements of operations and comprehensive loss;

(2) The effects of the Tax Receivable Agreement, as described under the section titled "Certain Relationships and Related Person Transactions—Tax Receivable Agreement;"

(3) A provision for corporate income taxes on the income attributable to Rani Holdings at a tax rate of %, inclusive of all U.S. federal, state, and local income taxes; and

(4) This offering and the application of the estimated net proceeds from this offering as described under the section titled "Use of Proceeds."

Our historical consolidated financial information has been derived from the consolidated financial statements of Rani LLC and its subsidiary and accompanying notes to the consolidated financial statements included elsewhere in this prospectus. Rani Holdings was incorporated on April 6, 2021 and has no material assets or results of operations until the completion of this offering. Therefore, its historical financial information is not included in the unaudited pro forma condensed consolidated financial information.

The unaudited pro forma condensed consolidated financial information has been prepared on the basis that we will be taxed as a corporation for U.S. federal and state income tax purposes and, accordingly, will become a taxpaying entity subject to U.S. federal, state and foreign income taxes. The unaudited pro forma condensed consolidated financial information were prepared in accordance with Article 11 of SEC Regulation S-X as amended by the final rule, Release No. 33-10786 "Amendments to Financial Disclosures about Acquired and Disposed Businesses." Release No. 33-10786 replaces the existing pro forma adjustment criteria with simplified requirements to depict the Organizational Transactions and present the reasonably estimable transaction effects that have occurred or reasonably expected to occur. See the accompanying notes to the Unaudited Pro Forma Condensed Consolidated Financial Information for a discussion of assumptions made.

The unaudited pro forma condensed consolidated financial information is not necessarily indicative of financial results that would have been attained had the described transactions occurred on the dates indicated above or that could be achieved in the future. The unaudited pro forma condensed consolidated financial information also does not give effect to the potential impact of any anticipated synergies, operating efficiencies or cost savings that may result from the transactions or any integration costs that result from the Organizational Transactions or any costs that do not have a continuing impact. Future results may vary significantly from the results reflected in the unaudited pro forma condensed consolidated statements of operations and comprehensive loss and should not be relied on as an indication of our results after the consummation of this offering and the other transactions contemplated by such unaudited pro forma condensed consolidated financial information. However, our management believes that the assumptions provide a reasonable basis for presenting the significant effects of the transactions as contemplated and that the pro forma adjustments give appropriate effect to those assumptions and are properly applied in the unaudited pro forma condensed consolidated financial information.

As a public company, we will be implementing additional procedures and processes for the purpose of addressing the standards and requirements applicable to public companies. We expect to incur additional annual expenses related to these steps and, among other things, additional directors' and officers' liability insurance,

director fees, costs to comply with the reporting requirements of the SEC, transfer agent fees, hiring of additional accounting, legal and administrative personnel, increased auditing and legal fees and similar expenses. We have not included any pro forma adjustments relating to these costs.

For purposes of the unaudited pro forma condensed consolidated financial information, we have assumed that we will issue shares of Class A common stock at a price per share equal to the midpoint of the estimated public offering price range set forth on the cover of this prospectus, and, as a result, immediately following the completion of this offering, the ownership percentage represented by LLC Interests not held by us will be %, and the net income attributable to LLC Interests not held by us will accordingly represent % of our net income. Except as otherwise indicated, the unaudited pro forma condensed consolidated financial information presented assumes no exercise by the underwriters of their option to purchase additional shares of Class A common stock.

As described in greater detail under the section titled "Certain Relationships and Related Person Transactions—Tax Receivable Agreement," in connection with the consummation of this offering, we will enter into the Tax Receivable Agreement with Rani LLC and certain of the Continuing LLC Owners that will provide for the payment by Rani Holdings to such Continuing LLC Owners of 85% of the amount of tax benefits, if any, that Rani Holdings are deemed to realize (calculated using certain assumptions) as a result of (i) increases in the tax basis of assets of Rani LLC resulting from (a) any future redemptions or exchanges of LLC Interests described above under "—The Offering—Redemption rights of holders of LLC interests", and (b) payments under the Tax Receivable Agreement and (ii) certain other tax benefits arising from payments under the Tax Receivable Agreement. Actual tax benefits realized by Rani Holdings may differ from tax benefits calculated under the Tax Receivable Agreement as a result of the use of certain assumptions in the Tax Receivable Agreement, including the use of an assumed weighted-average state and local income tax rate to calculate tax benefits. This payment obligation is an obligation of Rani Holdings, but not of Rani LLC. See the section titled "Certain Relationships and Related Person Transactions—Tax Receivable Agreement."

If we ever generate sufficient taxable income to utilize the tax benefits from the Organizational Transactions, we expect to benefit from the remaining 15% of cash savings, if any, that we realize. We do not expect to record a liability under the Tax Receivable agreement as result of the Organizational Transactions and the purchase of newly issued LLC Interests from Rani LLC with a portion of the net proceeds from this offering. This is because the purchase of the LLC Interests will not result in a taxable transaction and we currently expect to record a full valuation allowance against the deferred tax asset created through the purchase of the LLC Interests. Due to the uncertainty in the amount and timing of future redemptions or exchanges of LLC Interests by certain of the Continuing LLC Owners and purchases of LLC Interests from certain of the Continuing LLC Owners, the unaudited pro forma condensed consolidated financial information assumes that no future redemptions or exchanges or purchases of LLC Interests have occurred and therefore no increases in tax basis in the Rani LLC assets or other tax benefits that may be realized thereunder have been assumed in the unaudited pro forma condensed consolidated financial information. However, if certain of the Continuing LLC Owners were to redeem or exchange or sell us all of their LLC Interests, we would recognize a deferred tax asset of approximately $ million and a liability under the Tax Receivable Agreement of approximately $ million, assuming: (i) all exchanges or purchases occurred on the same day; (ii) a price of $ per share of Class A common stock (the midpoint of the price range set forth on the cover page of this prospectus); (iii) a constant corporate tax rate of %; (iv) that we will have sufficient taxable income to utilize the tax benefits and (v) no material changes in tax law. For each 5% increase (decrease) in the amount of LLC Interests exchanged by or purchased from certain of the Continuing LLC Unitholders (or their transferees of LLC Interests or other assignees), our deferred tax asset would increase (decrease) by approximately $ million and the related liability would increase (decrease) by approximately $ million, assuming that the price per share of Class A common stock and corporate tax rate remain the same. For each $1.00 increase (decrease) in the assumed share price of $ per share of Class A common stock, our deferred tax asset would increase (decrease) by approximately $ million and the related liability would increase (decrease) by approximately $ million, assuming that the number of LLC Interests exchanged by or purchased from

certain of the Continuing LLC Unitholders (or their transferees of LLC Interests and other assignees) and the corporate tax rate remain the same. These amounts are estimates and have been prepared for illustrative purposes only. The actual amount of deferred tax assets and liability under the Tax Receivable Agreement that we will recognize will differ based on, among other things, the timing of the exchanges and purchases, the price of our shares of Class A common stock at the time of the exchange or purchase, our ability to utilize the tax benefits from the Organizational Transactions, and the tax rates then in effect. The unaudited pro forma condensed consolidated financial information should be read together with the sections titled “Risk Factors,” “Organizational Structure,” “Capitalization,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and the audited consolidated financial statements of Rani LLC and related notes thereto as well as the interim unaudited condensed consolidated financial statements of Rani LLC and related notes thereto included elsewhere in this prospectus.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

AS OF MARCH 31, 2021

(In thousands, except share and unit amounts)	Rani Therapeutics, LLC As Reported	Organizational Transactions Adjustments		Rani Therapeutics Holdings, Inc. Pro Forma
Assets				
Current assets:				
Cash and cash equivalents	$ 76,662	$	(1) (2) (7)	$
Prepaid expenses	140			
Total current assets	76,802			
Deferred financing costs	785			
Property and equipment, net	4,490			
Total assets	$ 82,077	$		$
Liabilities, Redeemable Convertible Preferred Units and Members' Deficit/Stockholders' Equity				
Current liabilities:				
Accounts payable	943			
Related party payable	346			
Accrued expenses	1,890			
Deferred revenue	1,961			
Current portion of long-term debt	1,946			
Total current liabilities	7,086			
Long-term liabilities:				
Preferred unit warrant liability	536		(6)	
Long-term debt, less current portion	1,892		(7)	
Total liabilities	$ 9,514	$		$
Commitments and contingencies				
Convertible preferred units, 32,620,000 units authorized and 27,629,804 units issued and outstanding	191,034		(5)	
Members' Deficit/Stockholders' Equity:				
Common units, 101,000,000 units authorized and 46,896,280 units issued and outstanding	1,130		(5) (6)	
Class A common stock, par value $0.0001 per share	—		(1)	
Class B common stock, par value $0.0001 per share	—		(2)	
Class C common stock, par value $0.0001 per share, authorized and no shares issued and outstanding	—		(3)	
Additional paid-in-capital	—		(4) (10) (9)	
Accumulated deficit	(119,601)		(10)	
Total members' (deficit) / stockholders' equity	(118,471)			
Noncontrolling interest attributable to Rani Therapeutics, LLC members	—		(8)	
Total liabilities, redeemable convertible preferred units, and members' (deficit) / stockholders' equity	$ 82,077	$		$

See Notes to the Unaudited Pro Forma Condensed Consolidated Financial Information

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

(1) We estimate that the proceeds to us from this offering will be approximately $ million (or $ million if the underwriters exercise in full their option to purchase additional shares of Class A common stock), based on an assumed initial public offering price of $ per share, which is the midpoint of the estimated public offering price range set forth on the cover page of this prospectus, after deducting $ of assumed underwriting discounts and commissions and estimated offering expenses. We intend to use the net proceeds from this offering to (i) acquire newly issued LLC Interests, (ii) pay expenses incurred in connection with this offering. The remaining proceeds received from the sale of these shares will be used for general corporate purposes. For more information, see the section titled "Use of Proceeds."

(2) Reflects the issuance of Class B common stock to LLC Interest holders in return for LLC Interests, on a one-to-one basis with the number of LLC Interests they own, as described in greater detail under "Organizational Structure."

(3) Reflects the authorization of our Class C common stock, which entitle the holder to zero votes per share, will not be issued and outstanding at the closing of the offering, as described in greater detail under "Organizational Structure."

(4) We are deferring certain costs associated with this offering. These costs primarily represent legal, accounting and other costs directly associated with this offering and are recorded in other assets in our combined consolidated balance sheet. Upon completion of this offering, these deferred costs will be charged against the proceeds from this offering with a corresponding reduction to additional paid-in capital.

(5) Reflects the conversion of all outstanding convertible preferred and common units into a single class of economic nonvoting Class A common units and an equal number of voting noneconomic Class B common units of Rani LLC and the related reclassification of the carrying value of convertible preferred units converted to common units as permanent equity.

(6) Reflects the automatic conversion or net exercise of the convertible preferred and common units warrants into Class A common stock of Rani Holdings in connection with the Organizational Transactions.

(7) Represents the adjustment to long-term debt to reflect the repayment of the $1.3 million small business loan received in April 2020 under the Paycheck Protection Program ("PPP") in connection with COVID-19 pandemic relief efforts.

(8) As a result of the Organizational Transactions, the limited liability company agreement of Rani LLC will be amended and restated to, among other things, designate Rani Holdings as the sole managing member of Rani LLC. As sole managing member, Rani Holdings will exclusively operate and control the business and affairs of Rani LLC. The LLC Interests owned by LLC Interest holders will be considered noncontrolling interests in the consolidated financial statements of Rani Holdings. The adjustment to noncontrolling interest of $ million reflects the proportional interest in the pro forma consolidated total equity of Rani LLC owned by Rani Holdings.

(9) The following table is a reconciliation of the adjustments impacting additional paid-in-capital:

Net proceeds from offering of Class A common stock	$	(1)
Purchase of LLC Interests from Rani Therapeutics, LLC		(1)
Reclassification of costs incurred in this offering from other assets to additional paid-in capital		(4)
Contributed capital reclassification		(6)
Adjustment for vesting of Profits Interests		(10)
Adjustment to noncontrolling interest		(8)
Net additional paid-in capital pro forma adjustment	$	

(10) Represents an adjustment of $ million to accumulated deficit and additional paid-in-capital to reflect the vesting of Profits Interests whose performance condition was subject to Type III modification related to the execution of the Organizational Transactions. These modified awards were revalued as of the modification date and additional compensation expense of $ million relating to the cumulative compensation cost of the revalued awards was included in this pro forma adjustment.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2021

(in thousands, except unit/share and per unit/share data)	Rani Therapeutics, LLC As Reported	Organizational Transactions and Offering Adjustments		Rani Therapeutics Holdings, Inc. Pro Forma
Contract revenue	$ 756	$		$
Operating expenses				
Research and development	3,347		(4)	
General and administrative	2,607		(4)	
Total operating expenses	5,954			
Loss from operations	(5,198)			
Other income (expense), net				
Interest income	47			
Interest expense and other, net	(188)			
Change in estimated fair value of preferred unit warrant liability	(216)			
Loss before income taxes	(5,555)			
Income tax expense	(43)		(1)	
Net loss and comprehensive loss	(5,598)			
Net loss attributable to noncontrolling interest	—		(2)	
Net loss attributable to Rani Therapeutics Holdings, Inc.	$ (5,598)	$	(2)	$
Net loss per common unit, basic and diluted—attributable to Rani Therapeutics Holdings, Inc.				$
Proforma net loss per Class A common share, basic and diluted				$
Proforma weighted-average common Class A common shares outstanding, basic and diluted			(3)	

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE LOSS

FOR THE YEAR ENDED DECEMBER 31, 2020

(in thousands, except share and unit amounts and per share and per unit amounts)	Rani Therapeutics, LLC	Organizational Transactions and Offering Adjustments		Rani Therapeutics Holdings, Inc.
Contract revenue	$ 462	$		$
Operating expenses				
Research and development	12,044		(4)	
General and administrative	4,962		(4)	
Total operating expenses	17,006			
Loss from operations	(16,544)			
Other income (expense), net				
Interest income	63			
Interest expense and other, net	(124)			
Change in estimated fair value of preferred unit warrant liability	(63)			
Loss before income taxes	(16,668)			
Income tax expense	(35)		(1)	
Net loss	(16,703)			
Net loss attributable to noncontrolling interest	—		(2)	
Net loss attributable to Rani Therapeutics Holdings, Inc.	$ (16,703)		(2)	$
Net loss per common unit, basic and diluted—attributable to Rani Therapeutics Holdings, Inc.				$
Proforma net loss per Class A common share, basic and diluted				$
Proforma weighted-average Class A common shares outstanding, basic and diluted			(3)	

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(1) Following the Organizational Transactions and offering, Rani Holdings will be subject to U.S. federal income taxes, in addition to state, and local taxes. We have determined it is more-likely-than-not the tax benefits associated with the deferred tax assets arising from the Organizational Transactions and this offering will not be realized. As a result, the pro forma consolidated statement of operations and comprehensive loss does not reflect an adjustment for deferred tax benefits.

(2) Following the Organizational Transactions, Rani Holdings will become the sole managing member of Rani LLC, and upon consummation of this offering, Rani Holdings will initially own approximately % of the economic interest in Rani LLC but will have % of the voting power and control the management of Rani LLC. The ownership percentage held by the noncontrolling interest will be approximately %. Net loss attributable to the noncontrolling interest will represent approximately % of net loss.

(3) The weighted average number of shares underlying the basic loss per share calculation reflects only the shares of Class A common stock outstanding after the offering as they are the only outstanding shares which participate in distributions or dividends by Rani Holdings. The net proceeds from the sale of shares of Class A common stock in the IPO will be used to (i) acquire newly issued LLC Interests, (ii) pay expenses incurred in connection with this offering. The remaining shares of Class A common stock to be sold in the offering are not included in the pro forma basic and diluted net loss per share calculations as the proceeds received from the sale of these shares will be used for general corporate purposes, see the section titled “Use of Proceeds.” Pro forma diluted loss per share is computed by adjusting pro forma net loss attributable to Rani Holdings and the weighted average shares of Class A common stock outstanding to give effect to potentially dilutive securities that qualify as participating securities using the treasury stock method, as applicable. However, as Rani Holdings is in a net loss position, all securities are considered antidilutive, as they would only further reduce the net loss per share. Shares of Class B common stock are not participating securities and therefore are not included in the calculation of pro forma basic earnings per share.

LLC Interests, together with an equal number of shares of Class B common stock, may be redeemed, at the option of the Continuing LLC Owners, for shares of our Class A common stock or, at our election, for cash. After evaluating the potential dilutive effect under the if-converted method, the outstanding LLC Interests for the assumed exchange of noncontrolling interest were determined to be antidilutive and thus were excluded from the computation of diluted earnings per share.

The diluted weighted average share calculation assumes that certain equity awards were issued and outstanding at the beginning of the period. The following table sets forth a reconciliation of the numerators and denominators used to compute pro forma basic and diluted loss per share.

	For the Three Months Ended March 31, 2021
Loss per share of Class A common stock	
Numerator:	
Net loss attributable to Rani Therapeutics Holdings, Inc.’s shareholders (basic and diluted)	$
Denominator:	
Weighted average of shares of Class A common stock outstanding (basic)	
Incremental common shares attributable to dilutive instruments	
Weighted average of shares of Class A common stock outstanding (diluted)	
Basic loss per share of Class A common stock	$
Diluted loss per share of Class A common stock	$

(4) Reflects the recognition of compensation expense totalling $ million for the three months ended March 31, 2021 and $ million for the year ended December 31, 2020 related to (i) the granting of stock options to employees to purchase Class A common stock and (ii) the addition of a vesting restriction to shares of Class A common stock held by certain employees in connection with the offering. The foregoing amounts are based on the initial public offering price of $ per share. The stock options are expected to vest one-fourth on each of the first four anniversaries of the grant date and the vesting restrictions placed on the Class A common stock will vest ratably over two years.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

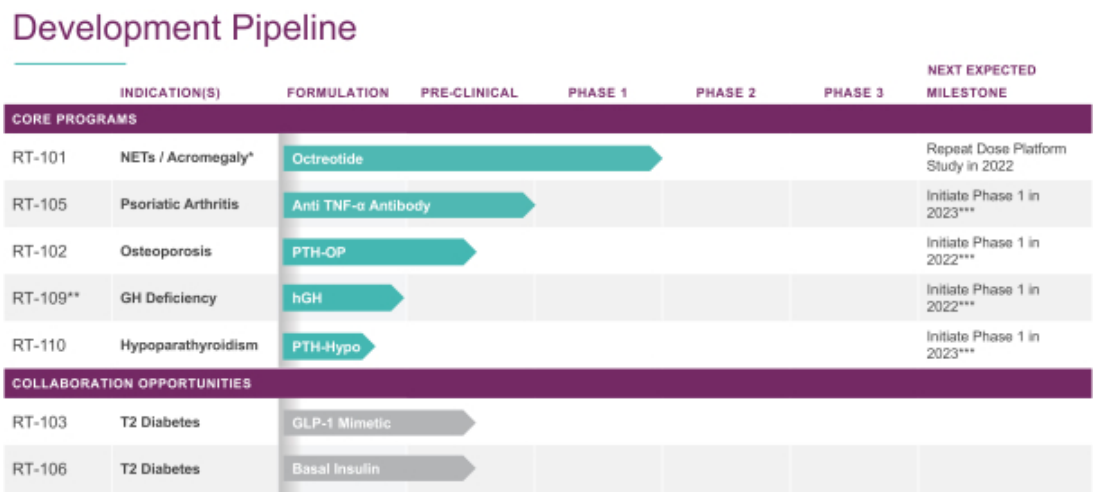
You should read the following discussion and analysis of our financial condition and results of operations together with our consolidated financial statements and unaudited interim condensed consolidated financial statements and the related notes included elsewhere in this prospectus. Some of the information contained in this discussion and analysis or set forth elsewhere in this prospectus, including information with respect to our plans and strategy for our business and related financing, includes forward-looking statements that involve risks, uncertainties, and assumptions. You should carefully read the "Special Note Regarding Forward-Looking Statements" and "Risk Factors" sections of this prospectus for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis. The following discussion does not give effect to the Organizational Transactions. See the sections titled "Organizational Transactions" and "Unaudited Pro Forma Condensed Consolidated Financial Information" included elsewhere in this prospectus for a description of the Organizational Transactions and their effect on our historical results of operations.

The following discussion contains references to calendar year 2019, calendar year 2020 and the first quarter of 2021, which represents the consolidated financial results of our predecessor Rani Therapeutics, LLC ("Rani LLC") and subsidiary for the years ended December 31, 2019 and December 31, 2020 and the three months ended March 31, 2020 and March 31, 2021, respectively. Unless we state otherwise or the context otherwise requires, the terms "we," "us," "our," and "Rani" and similar references refer: (1) on or following the consummation of the Organizational Transactions, including this offering, to Rani Therapeutics Holdings, Inc. ("Rani Holdings") and its consolidated subsidiaries, including Rani LLC, and (2) prior to the consummation of the Organizational Transactions, including this offering, to Rani LLC and its consolidated subsidiary.

Overview

We are a clinical stage biotherapeutics company advancing technologies to enable the development of orally administered biologics, which we believe will have the potential to transform medicine and improve patient outcomes. We have developed the RaniPill capsule, which is our novel, proprietary and patented platform technology, intended to replace subcutaneous or IV injection of biologics with oral dosing. The RaniPill capsule is an orally ingestible pill approximately the size of a "000" capsule (or similar to the size of a standard fish oil or calcium pill) that is designed to automatically administer a precise therapeutic dose of medication upon deployment in the small intestine. To date, we have successfully conducted several preclinical and clinical studies to evaluate safety, tolerability and bioavailability using the RaniPill capsule. Our development efforts have enabled us to construct an extensive intellectual property portfolio that we believe provides us a competitive advantage.

Our pipeline includes five core product candidate programs. Additionally, we envision complementing these core programs with robust partnering activities to maximize the value inherent in the RaniPill capsule. Below is a summary of our product candidate pipeline.



RT-XXX refers to the RaniPill capsule containing a biologic in a proprietary Rani formulation
* Each of these indications will require separate trials
**CCHN will have a limited opportunity to negotiate for rights within China
***To follow submission and clearance of IND

Since our inception in 2012, we have devoted the majority of our resources to research and development, manufacturing automation and scaleup, and establishing our intellectual property portfolio. To date, we have financed our operations primarily through private placements of our preferred units and the issuance of convertible promissory notes, with aggregate gross proceeds of $208.8 million, as well as revenue generated from evaluation agreements. As of March 31, 2021, we had cash and cash equivalents of $76.7 million. Based on our current operating plan, as of June 2021, we estimate that our existing cash and cash equivalents will be sufficient to fund our operating expenses and capital expenditure requirements through at least the next twelve months.

We do not have any products approved for sale, and we have not yet generated any revenue from sales of a commercial product. Our ability to generate product revenue sufficient to achieve profitability, if ever, will depend on the successful development of the RaniPill capsule, which we expect will take a number of years. Given our stage of development, we have not yet established a commercial organization or distribution capabilities, and we have no experience as a company in marketing drugs or a drug-delivery platform. When, and if, any of our product candidates are approved for commercialization, we plan to develop a commercialization infrastructure for those products in the United States, Europe, Asia, and potentially in certain other key markets. We may also rely on partnerships to provide commercialization infrastructure, including sales, marketing, and commercial distribution.

Since our inception, we have incurred significant losses and negative cash flows from operations. Our net losses were $26.6 million and $16.7 million for the years ended December 31, 2019 and 2020, respectively, and $5.4 million and $5.6 million for the three months ended March 31, 2020 and 2021, respectively. As of March 31, 2021, we had an accumulated deficit of $119.6 million. We expect to continue to incur significant losses for the foreseeable future, and our net losses may fluctuate significantly from period to period, depending on the timing of and expenditures on our planned research and development activities. As a result, we will require substantial additional capital to develop the RaniPill capsule and related product candidates and fund

operations for the foreseeable future. Until such time as we can generate sufficient revenue from commercial product sales, if ever, we expect to finance our operations through a combination of equity offerings and debt financings, or other capital sources, which may include strategic collaborations or other arrangements with third parties. We may be unable to raise additional funds or to enter into such agreements or arrangements on favorable terms, or at all. If we are unable to raise capital or enter into such agreements as and when needed, we may have to significantly delay, scale back or discontinue the development or commercialization of one or more of our product candidates. Insufficient liquidity may also require us to relinquish rights to product candidates at an earlier stage of development or on less favorable terms than we would otherwise choose.

Our ability to raise additional funds may be adversely impacted by potential worsening global economic conditions and disruptions to and volatility in the credit and financial markets in the United States and worldwide, such as those resulting from the ongoing COVID-19 pandemic. Because of the numerous risks and uncertainties associated with product development, we are unable to predict the timing or amount of increased expenses or when or if we will be able to achieve or maintain profitability. Even if we are able to generate revenue from commercial product sales, we may not become profitable. If we fail to become profitable or are unable to sustain profitability on a continuing basis, then we may be unable to continue our operations at planned levels and may be forced to reduce or terminate our operations.

As is common with biotechnology companies, we rely on third-party suppliers for the supply of raw materials and APIs required for the production of our product candidates. In addition, we work with third parties to manufacture and develop biologics for inclusion in the RaniPill capsule. Design work, prototyping and pilot manufacturing are performed in-house, and we have utilized third-party engineering firms to assist with the design of manufacturing lines that support our supply of the RaniPill capsule. Certain of our suppliers of components and materials are single source suppliers. We believe our vertically integrated manufacturing strategy will offer significant advantages, including rapid product iteration, control over our product quality and the ability to rapidly scale our manufacturing capacity. This capability also allows us to develop future generations of products while maintaining the confidentiality of our intellectual property. Our vertically integrated manufacturing strategy will result in material future capital outlays and fixed costs related to constructing and operating a manufacturing facility. We have and plan to continue to invest in automated manufacturing production lines for the RaniPill capsule. Those assets deemed to have an alternative future use have been capitalized as property and equipment while those projects related to our assets determined to not have an alternative future use have been expensed as research and development costs.

COVID-19 Pandemic

Since it was reported to have surfaced in late 2019, COVID-19 has spread across the world and has been declared a pandemic by the World Health Organization. Efforts to contain the spread of COVID-19 have intensified and governments around the world, including in the United States, Europe and Asia, have implemented precautions such as travel restrictions, social distancing requirements, and stay-at-home orders. As a result, the current COVID-19 pandemic has presented a substantial global public health and economic challenge and is affecting our employees and business operations, as well as contributing to significant volatility and negative pressure on the U.S. economy and in financial markets.
The COVID-19 pandemic has and may continue to impact the Company’s third-party manufacturers and suppliers, which could disrupt its supply chain or the availability or cost of materials. The effects of the public health directives and the Company’s work-from-home policies may negatively impact productivity, disrupt its business, and delay clinical programs and timelines and future clinical trials, the magnitude of which will depend, in part, on the length and severity of the restrictions and other limitations on the Company’s ability to conduct business in the ordinary course. These and similar, and perhaps more severe, disruptions in the Company’s operations could negatively impact business, results of operations and financial condition, including its ability to obtain financing.

As a result of the COVID-19 pandemic, in April 2020 we implemented a reduction in force, certain activities related to the pre-clinical and clinical studies were put on hold and, our ability to travel was strictly

limited. We expect that COVID-19 precautions will directly or indirectly impact the timeline for some of our planned clinical trials and we are continuing to assess the potential impact of the COVID-19 pandemic on our current and future business and operations.

We have initiated, and may take additional, temporary precautionary measures intended to help ensure our employees' well-being and minimize business disruption. For the safety of our employees and their families, we have temporarily reduced the presence of our employees in our office and continue to rely on third parties to conduct many of the experiments and preclinical studies for our research programs. Certain third-party service providers have also experienced shutdowns or other business disruptions. The extent to which the COVID-19 pandemic may affect our business, operations and development timelines and plans, including the resulting impact on expenditures and capital needs, remains uncertain.

As a result of the COVID-19 pandemic, or similar pandemics and outbreaks, we have and may in the future experience severe disruptions, including:

- interruption of or delays in receiving materials or services from the third parties due to staffing shortages, production slowdowns or stoppages, or disruptions in delivery systems, which interruption or delay may impact our ability to continue our research programs;
- limitations on our business operations by the local, state, or federal government that could impact our ability to continue our research programs;
- business disruptions caused by workplace closures, travel limitations, communication or mass transit disruptions; or an increased reliance on employees working from home with concomitant cyber security concerns and data accessibility limits; and
- limitations on employee resources that would otherwise be focused on the conduct of our activities, including because of sickness of employees or their families or the desire of employees to avoid contact with large groups of people.

Evaluation Agreements

Rani has entered into evaluation agreements with Takeda (formerly Shire), Novartis and CCHN. Our evaluation agreements focus on testing specific molecules of interest using the RaniPill capsule. The drugs being evaluated are Factor VIII with Takeda; human growth hormone with CCHN; and two confidential molecules with Novartis. The evaluations include formulation development of the pharmaceutical companies' drugs and testing for delivery with the RaniPill capsule in preclinical studies. We work with these pharmaceutical companies to define the scope of preclinical studies that will help determine the feasibility of the RaniPill route of administration for specific drug(s). As part of these agreements, the pharmaceutical companies have funded the studies and have also made equity investments in Rani. We have recognized contract revenue in the amount of $1.0 million and $0.5 million for the years ended December 31, 2019 and 2020, respectively, and $0.1 million and $0.8 million for the three months ended March 31, 2020 and 2021, respectively. See the section titled "Evaluation Agreements" for a more detailed description of these and our other license agreements.

Organizational Transactions

Rani Holdings was incorporated in April 2021 and formed for the purpose of this offering and has engaged to date only in activities in contemplation of this offering. Rani Holdings will be a holding company and its sole material asset will be a controlling ownership interest in Rani LLC. For more information regarding our reorganization and holding company structure, see the section titled "Organizational Transactions." Upon completion of this offering, all of our business will be conducted through Rani LLC and its consolidated subsidiary, and the financial results of Rani LLC and its consolidated subsidiary will be included in the consolidated financial statements of Rani Holdings.

Rani LLC has been treated as a pass-through entity for U.S. federal and state income tax purposes and accordingly has not been subject to U.S. federal or state income tax. The wholly owned subsidiary of Rani LLC, which was incorporated in 2019, is taxed as a corporation for U.S. federal and most applicable state, local income tax and foreign tax purposes. After consummation of this offering, Rani LLC will continue to be treated as a pass-through entity for U.S. federal and state income tax purposes, and our wholly owned subsidiary will continue to be taxed as a corporation for U.S. federal and most applicable state, local income tax and foreign tax purposes. As a result of its ownership of LLC Interests in Rani LLC, Rani Holdings will become subject to U.S. federal, state and local income taxes with respect to its allocable share of any taxable income of Rani LLC and will be taxed at the prevailing corporate tax rates. In addition to tax expenses, we also will incur expenses related to our operations and we will be required to make payments under the Tax Receivable Agreement with certain of the Continuing LLC Owners. Due to the uncertainty of various factors, we cannot estimate the likely tax benefits we will realize as a result of LLC Interests exchanges, and the resulting amounts we are likely to pay out to LLC Unitholders pursuant to the Tax Receivable Agreement; however, we estimate that such payments may be substantial in the event we are profitable. See the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources— Source of Liquidity” for more information about expected payments under the Tax Receivable Agreement.

Components of Results of Operations

Contract Revenue

To date, we have not generated any revenue from commercial product sales and do not expect to generate any revenue from the sale of commercial products in the foreseeable future. Our only revenue has been derived from our evaluation agreements, which are recorded as contract revenue. We expect that our revenue for the next several years will be derived primarily from our current evaluation agreements and any additional agreements that we may enter into in the future.

Our ability to generate commercial product revenue and to become profitable will depend upon our ability to successfully develop, obtain regulatory approval and commercialize the capsule. Because of the numerous risks and uncertainties associated with product development and regulatory approval, we are unable to predict the amount, timing or whether we will be able to obtain commercial product revenue.

Operating Expenses

Our operating expenses consisted of research and development expenses and general and administrative expenses.

Research and Development Expense

Research and development expense consists primarily of direct and indirect costs incurred in connection with our research and development activities to commercialize the RaniPill capsule. These expenses include:

External expenses, consisting of:

- expenses associated with CROs, for managing and conducting clinical trials;
- expenses associated with laboratory supplies, drug material for clinical trials, developing and manufacturing of the RaniPill capsule and other materials;
- expenses associated with preclinical studies performed by third parties; and
- expenses associated with consulting, legal fees for patent matters, advisors, and other external expenses.

Internal expenses, consisting of:

- expenses including salaries, bonuses and benefits for personnel engaged in research and development functions;
- expenses associated with service and repair of equipment, equipment depreciation, and allocated facility costs for research and development; and
- other research and development costs related to compliance with quality and regulatory requirements.

We expense research and development costs as incurred. Costs for external development activities are recognized based on an evaluation of the progress to completion of specific tasks using information provided to us by our vendors. Payments for these activities are based on the terms of the individual agreements, which may differ from the pattern of costs incurred, and are reflected in our financial statements as prepaid or accrued research and development expenses. Nonrefundable advance payments that we make for goods or services to be received in the future for use in research and development activities are recorded as prepaid expenses. Such amounts are recognized as an expense as the goods are delivered or the related services are performed, or until it is no longer expected that the goods will be delivered, or the services rendered. Until future commercialization is considered probable and the future economic benefit is expected to be realized, we do not capitalize pre-launch inventory costs.

Costs of property and equipment related to scaling-up our manufacturing capacity for clinical trials and to support commercialization are capitalized as property and equipment unless the related asset does not have an alternative future use.

The historical focus of our research and development has been on the RaniPill delivery platform and not tracked costs on a project-by-project basis associated with different drug compounds.

At this time, we cannot reasonably estimate or know the nature, timing, and estimated costs of the efforts that will be necessary to complete the development of, and obtain regulatory approval for, the RaniPill capsule. We expect our research and development expenses to increase significantly in the foreseeable future as we continue to invest in research and development activities related to developing the RaniPill capsule, as our product candidates advance into later stages of development, as we begin to conduct larger clinical trials, as we seek regulatory approvals for the RaniPill capsule upon successful completion of clinical trials, and incur expenses associated with hiring additional personnel to support our research and development efforts. The process of conducting the necessary clinical research to obtain regulatory approval is costly and time-consuming, the successful development of the RaniPill capsule is highly uncertain, and we may never succeed in achieving regulatory approval for the RaniPill capsule.

General and Administrative Expenses

General and administrative expenses consist primarily of personnel-related costs (including salaries, bonuses and benefits) for personnel in executive, finance, accounting, corporate and business development, and other administrative functions. General and administrative expenses also include legal fees relating to corporate matters, professional fees paid for accounting, auditing, consulting, tax, and administrative consulting services, insurance costs, travel expenses, marketing expenses, and facility-related expenses, which include direct depreciation costs and allocated expenses for rent and maintenance of facilities and other operating costs.

We anticipate that our general and administrative expenses will increase significantly in the foreseeable future as additional administrative personnel and services are required to manage and support the development of the RaniPill capsule. We also anticipate that we will incur increased expenses associated with operating as a

public company, including costs of accounting, audit, legal, regulatory and tax-related services associated with maintaining compliance with exchange listing and SEC requirements, director and officer insurance costs, and investor and public relations costs.

Other Income (Expense), Net

Other income (expense), net primarily consists of interest income on our cash and cash equivalents and income (expense) associated with re-measurements of the estimated fair value of preferred unit warrants.

Noncontrolling Interest

In connection with the Organizational Transactions, Rani Holdings will be appointed as the sole managing member of Rani LLC pursuant to the amended and restated LLC Operating Agreement. Because we will manage and operate the business and control the strategic decisions and day-to-day operations of Rani LLC and will also have a substantial financial interest in Rani LLC, we will consolidate the financial results of Rani LLC, and a portion of our net loss will be allocated to the noncontrolling interest to reflect the entitlement of the noncontrolling interest holders to Rani LLC's net loss. We will hold approximately % of the outstanding LLC Interests of Rani LLC (or approximately % of the outstanding LLC Interests of Rani LLC if the underwriters exercise their option to purchase additional shares in full), and the outstanding LLC Interests of Rani LLC will be held by Rani Holdings.

Income Tax Expense

Rani LLC is currently, and will through consummation of the Organizational Transactions, be treated as a partnership for U.S. federal and most applicable state and local income tax purposes. As a partnership, its taxable income or loss is passed through to and included in the tax returns of its members, including us. Certain wholly owned subsidiaries of Rani LLC are organized and treated as corporations for U.S. federal and most applicable state, local income tax and foreign tax purposes. Accordingly, the consolidated financial statements of Rani LLC included in this prospectus include a tax provision for federal, state, local and foreign income taxes.

For a description of the Tax Receivable Agreement, see the section titled "Certain Relationships and Related Person Transactions—Tax Receivable Agreement."

Relationship with InCube Labs

Services Agreements

In January 2019, the Company entered into a one year service agreement with ICL, the majority holder of the Company's common units and a related party. This agreement was amended in January 2020 to extend the period for an additional year and was again amended in June 2021, effective January 2021, to extend the term for an additional year and automatically renew annually for an additional year, unless terminated by ICL or the Company. The service agreement specifies the scope of services to be provided by ICL as well as the methods for determining the costs of services for the years ended December 31, 2019 and 2020, and the three months ended March 31, 2021. Costs are billed on a monthly basis and based upon the hours incurred by ICL employees working on behalf of Rani LLC, as well as allocations of expenses based upon Rani LLC's utilization of ICL's facilities and equipment. Effective January 1, 2020, the ICL personnel that were substantially dedicated to providing services to Rani were hired by RMS as full-time employees. In addition, under the service agreement, RMS bills ICL on the same cost basis described above certain hours incurred by RMS employees performing services on behalf of ICL. For the year ended December 31, 2020, RMS charged ICL $0.4 million for services performed, and for the three months ended March 31, 2020 and 2021, $0.1 million and $0.2 million, respectively and such amounts charged were recorded as a reduction to research and development expense in the consolidated statement of operations and comprehensive loss.

The Company's eligible employees are permitted to participate in ICL's 401(k) Plan ("401(k) Plan"). Participation in the 401(k) Plan is offered for the benefit of our employees, including our named executive officers, who satisfy certain eligibility requirements.

All of Rani LLC's facilities are owned by an entity affiliated with one of our directors, who is also the owner of ICL. Rani LLC pays for the use of these facilities through the service agreement with ICL.

The table below details the amounts charged by ICL for services and rent (in thousands):

	Year Ended December 31,		Three Months Ended March 31,	
	2019	2020	2020	2021
Research and development	$17,129	$535	$184	$ 33
General and administrative	3,308	1,826	244	182
Total	**$20,437**	**$2,361**	**$428**	**$215**

Financing activity

From inception to December 31, 2017, Rani LLC advanced funds to ICL, and ICL made payments directly to certain vendors on behalf of Rani LLC. Rani LLC has reimbursed ICL for all such payments at cost on a monthly basis. In June 2017, Rani LLC converted the outstanding advances of $6.6 million to ICL into notes receivable. The notes provide for interest at 1.97% compounded annually, loan fees of 2.75% and are payable upon demand to Rani LLC any time after January 1, 2024. During 2019 and 2020, the Company received $1.0 million and $0.2 million, respectively, in payments for interest and repayment of principal on the ICL notes receivable. During the three months ended March 31, 2020, payments for interest and repayment of principal on the ICL note receivable was insignificant. During the three months ended March 31, 2021, the Company received $1.7 million for interest and principal on the ICL notes receivable. As of December 31, 2019 and 2020, $1.9 million and $1.7 million, respectively, of the notes were outstanding. As of March 31, 2021, the outstanding balance, including all accrued interest, was fully repaid.

In December 2020, Rani LLC amended the terms of certain expired warrants to purchase Series B units, or the Series B Warrants, issued to InCube Ventures II, LP, or ICV II, a related party and entity affiliated with ICL, by extending its exercise period for an additional two years. In December 2020, ICV II elected to cashless exercise all of their Series B Warrants and Rani LLC issued 51,341 Series B units. There were no Series B Warrants outstanding at March 31, 2021.

Exclusive License Agreement

In June 2012, we entered into an Intellectual Property Agreement and an Exclusive License Agreement with ICL, which were each amended in June 2013, pursuant to which ICL assigned to us certain intellectual property made by ICL during the course of providing services to us that relates primarily to, or has application primarily within, the field of oral delivery of biotherapeutic agents such as peptides, proteins and antibodies and excluding swallowable devices that do not deliver such drugs (the "Field of Use"). ICL also granted to us a fully-paid, royalty-free, sublicensable, exclusive license under the intellectual property made by ICL during the course of providing services to us that is useful in the Field of Use but does not relate primarily to, or have application primarily within, the Field of Use to make, have made, use, offer to sell, sell and import products and services that are covered by such intellectual property within the Field of Use. We are obligated to diligently develop and commercialize such products and services and to reimburse ICL for its costs to prosecute and maintain the patents that are licensed to us, which reimbursement will be a pro rata portion if ICL grants licenses under such patents to other licensees. In June 2021, ICL and the Company entered into an Amended and Restated Exclusive License Agreement which replaces the 2012 Exclusive License Agreement, as amended in 2013, and terminates the Intellectual Property Agreement, as amended in June 2013. Under the Amended and Restated License

Agreement, we will have a fully paid, exclusive license under certain scheduled patents related to optional features of the device and certain other scheduled patents to exploit products covered by those patents in the field of oral delivery of sensors, small molecule drugs or biologic drugs including, any peptide, antibody, protein, cell therapy, gene therapy or vaccine. We will cover patent-related expenses and, after a certain period, we will have the right to acquire four specified U.S. patent families from ICL by making a one-time payment of $250,000 to ICL for each U.S. patent family that the Company desires to acquire, up to $1.0 million in the aggregate. This payment will not become an obligation until the fifth anniversary of the Amended and Restated Exclusive License Agreement. The Amended and Restated Exclusive License Agreement will terminate when there are no remaining valid claims of the patents licensed under the Amended and Restated Exclusive License Agreement. Additionally, we may terminate the Amended and Restated Exclusive License Agreement in its entirety or as to any particular licensed patent upon notification to ICL of such intent to terminate.

Future Public Company Expenses

We expect our operating expenses to increase when we become a public company following the completion of this offering. We expect our accounting, legal and personnel-related expenses and directors' and officers' insurance costs reported within general and administrative to increase as we establish more comprehensive compliance and governance functions, maintain and review internal controls over financial reporting in accordance with the Sarbanes-Oxley Act of 2002 and prepare and distribute periodic reports as required by the rules and regulations of the SEC. As a result, our historical results of operations may not be indicative of our results of operations in future periods.

Results of Operations

Comparison of the Three Months Ended March 31, 2020 and 2021

The following table summarizes our results of operations (in thousands):

	Three Months Ended March 31,	
	2020	2021
Contract revenue	$ 83	$ 756
Operating expenses		
Research and development	4,060	3,347
General and administrative	1,407	2,607
Total operating expense.	$ 5,467	$ 5,954
Loss from operations	(5,384)	(5,198)
Other income (expense), net		
Interest income	62	47
Interest expense and other, net	—	(188)
Change in estimated fair value of preferred unit warrant	(17)	(216)
Loss before income taxes	(5,399)	(5,555)
Income tax expense	(11)	(43)
Net loss and comprehensive net loss	$ (5,350)	$ (5,598)

Contract Revenue

Contract revenue was $0.1 million and $0.8 million for the three months ended March 31, 2020 and 2021, respectively, which was primarily attributable to our evaluation agreement with Takeda. The increase was primarily related to timing of work performed. In May 2021, the Company received notice from Takeda as to their intent to terminate the contract for convenience. The termination of the contract is considered a modification of an arrangement, and the deferred revenue remaining under this agreement will be recognized in the second quarter of 2021 when this modification occurred.

Research and Development Expenses

The following table reflects our research and development costs by nature of expense (in thousands):

	Three Months Ended March 31,	
	2020	2021
Payroll and related benefits	$ 1,990	$ 2,195
Facility, materials and supplies	705	683
Third-party services	1,356	187
Other	9	282
	$ 4,060	$ 3,347

Research and development expenses were $4.1 million for the three months ended March 31, 2020, compared to $3.3 million for the three months ended March 31, 2021. The change in research and development expense was primarily related to a reduction in third-party services of $1.2 million associated with the development of our manufacturing processes that occurred in 2020 and did not recur in 2021, $0.2 million associated with equity-based compensation expense from a secondary sales transaction, offset by an increase of $0.2 million in salaries and related costs due to an increase in headcount.

General and Administrative Expenses

General and administrative expenses were $1.4 million for the three months ended March 31, 2020, compared to $2.6 million for the three months ended March 31, 2021. During the three months ended March 31, 2021, our payroll and related benefits increased by $0.3 million due to an increase in headcount, $0.2 million associated with equity-based compensation expense from a secondary sales transaction and the professional and consulting services expense increased by $0.6 million primarily due to the costs associated with preparing to operate as a public company.

Other Income (Expense), Net

Other income, net was nominal for the three months ended March 31, 2020, compared to a net expense of $0.4 million for the three months ended March 31, 2021. The change in other income, net, was primarily due to the change in fair value of our Series E warrants and interest expense on the debt incurred at the end of 2020.

Comparison of the Years Ended December 31, 2019 and 2020

The following table summarizes our results of operations (in thousands):

	Years Ended December 31,	
	2019	2020
Contract revenue	$ 979	$ 462
Operating expenses		
Research and development	24,579	12,044
General and administrative	3,465	4,962
Total operating expense	$ 28,044	$ 17,006
Loss from operations	(27,065)	(16,544)
Other income (expense), net		
Interest income	423	63
Interest expense and other, net	(10)	(124)
Change in estimated fair value of preferred unit warrant	65	(63)
Loss before income taxes	(26,587)	(16,668)
Income tax expense	—	(35)
Net loss and comprehensive net loss	$ (26,587)	$ (16,703)

Contract Revenue

Contract revenue was $1.0 million and $0.5 million for the years ended December 31, 2019 and 2020, respectively, which was primarily attributable to our evaluation agreement with Takeda. The decrease was primarily related to timing of work performed for our evaluation agreement with Takeda.

Research and Development Expenses

The following table reflects our research and development costs by nature of expense (in thousands):

	Years Ended December 31,	
	2019	2020
Payroll and related benefits	$ 17,249	$ 6,794
Facility, materials and supplies	4,364	2,449
Third-party services	2,057	2,690
Other	909	111
	$ 24,579	$ 12,044

Research and development expenses were $24.6 million for the year ended December 31, 2019, compared to $12.0 million for the year ended December 31, 2020. The change in research and development expense was primarily related to a decrease in payroll and related benefits expenses due to a reduction in force that was completed in April 2020, as well as a decrease in materials and supplies expense associated with our preclinical studies and clinical trial activities due in large part because of the COVID-19 pandemic, which disrupted our ability to perform certain research and development activities, as well as impacting the timing of our ability to raise capital.

General and Administrative Expenses

General and administrative expenses were $3.5 million for the year ended December 31, 2019, compared to $5.0 million for the year ended December 31, 2020. During the year ended December 31, 2020, our

payroll and related benefits increased by $0.4 million, our patent costs increased by $0.3 million, partially offset by a decrease in consulting services of $0.2 million and a decrease in travel expense of $0.3 million.

Other Income (Expense), Net

Other income, net was $0.5 million for the year ended December 31, 2019, compared to a net expense of $0.1 million for the year ended December 31, 2020. The change in other income, net, was primarily due to a decrease in interest income of $0.4 million in 2020 as a result of lower average cash and cash equivalent balances throughout most of 2020.

Liquidity and Capital Resources

Source of Liquidity

Since our inception in 2012, we have not generated any revenue from commercial product sales and have incurred significant operating losses and negative cash flows from operations. We have not yet commercialized any products, and we do not expect to generate revenue from sales of commercial products for several years, if at all. We anticipate that we will continue to incur net losses for the foreseeable future. Since our inception, we have devoted substantially all of our resources on organizing and staffing our company, business planning, research and development activities, including the RaniPill platform design, drug formulation, preclinical studies, clinical trials, manufacturing automation and scale up, establishing our intellectual property portfolio, and providing general and administrative support for these operations. To date, we have financed our operations primarily through private placement of our preferred units and convertible promissory notes, and revenue generated from evaluation agreements. Since our inception, we have received aggregate gross proceeds of $208.8 million from the sales and issuances of our preferred units and convertible promissory notes. As of March 31, 2021, we had cash and cash equivalents of $76.7 million.

In April 2020, we received loan proceeds in the amount of approximately $1.3 million under the PPP, established pursuant to the CARES Act, with Comerica Bank as the lender (the “PPP Loan”). We have used this loan for the eligible purposes, including payroll, benefits, rent and utilities. The loan bears interest at 1% per annum. The loan and accrued interest are forgivable as long as the loan proceeds are used for eligible purposes; however, while we believe the loan would be eligible for forgiveness, we intend to pay back the loan and accrued interest in full with the proceeds from this offering.

In September 2020, we entered into a secured convertible loan agreement (the “Avenue Loan Agreement”) with Avenue Venture Opportunity Fund L.P., for loan proceeds of up to $10.0 million. As of March 31, 2021, we had drawn down $3.0 million under the Avenue Loan Agreement. The Loan bears interest at a variable rate per annum equal to the sum of (i) the greater of (A) the Prime Rate and (B) three and one-quarter percent (3.25%), plus (ii) eight percent (8.00%), compounded monthly until its maturity date of September 1, 2023, at which time all outstanding principal and interest became due and payable in cash if not already converted. Our obligations under the Avenue Loan Agreement are secured by a first priority security interest in substantially all of our assets. In connection with the Avenue Loan Agreement, we have issued warrants of 118,929 units of Series E preferred units (the Series E Warrants). The Series E Warrants are exercisable for a period of seven years from the date of grant at an exercise price of $7.1471 per unit. The loan is convertible at the option of the holder into our Series E convertible preferred units. We were in compliance with the covenants under the loan, and there were no events of default for the three months ended March 31, 2021. As of March 31, 2021, we have elected not to exercise our option to draw down the remaining $7.0 million of the Avenue Loan Agreement.

In October 2020, we entered into the Fourth Amended and Restated Operating Agreement, which authorized the sale and issuance of up to 10,493,767 Series E Preferred Units. As of January 31, 2021, we had issued the total authorized amount at a price of $7.1471 for gross proceeds of $75.0 million.

After completion of this offering, Rani Holdings will be a holding company and will have no material assets other than its ownership of LLC Interests. Rani Holdings has no independent means of generating revenue. The limited liability company agreement of Rani LLC that will be in effect at the time of this offering provides that certain distributions will be made to cover the taxes of the owners of LLC Interests and Rani Holdings' obligations under the Tax Receivable Agreement. As described in the section titled "Certain Relationships and Related Person Transactions—Tax Receivable Agreement," in connection with the Organizational Transactions we will enter into the Tax Receivable Agreement with certain of the Continuing LLC Owners. Due to the uncertainty of various factors, we cannot precisely quantify the tax benefits we may realize as a result of LLC Interest exchanges and the resulting amounts we may need to pay out to certain of the Continuing LLC Owners pursuant to the Tax Receivable Agreement; however, we estimate that such payments may be substantial. For example, if we acquired all of the LLC Interests of certain of the Continuing LLC Owners in taxable transactions as of this offering, based on an initial public offering price of $ per share (the midpoint of the estimated initial public offering price range set forth on the cover page of this prospectus) and on certain assumptions, including that (i) there are no material changes in relevant tax law and (ii) we earn sufficient taxable income in each year to realize on a current basis all tax benefits that are subject to the Tax Receivable Agreement, we expect that the resulting reduction in tax payments for us, as determined for purposes of the Tax Receivable Agreement, would aggregate to approximately $, substantially all of which would be realized over the next 15 years, and we would be required to pay certain of the Continuing LLC Owners 85% of such amount, or $, over the same period. The actual increases in tax basis with respect to future taxable redemptions, exchanges or purchases of LLC Interests, as well as the amount and timing of any payments we are required to make under the Tax Receivable Agreement in respect of the acquisition of LLC Interests from certain of Continuing LLC Owners in connection with this offering or future taxable redemptions, exchanges or purchases of LLC Interests, may differ materially from the amounts set forth above because the potential future reductions in our tax payments, as determined for purposes of the Tax Receivable Agreement, and the payments we will be required to make under the Tax Receivable Agreement, will each depend on a number of factors, including the market value of our Class A common stock at the time of redemption or exchange, the prevailing federal tax rates applicable to us over the life of the Tax Receivable Agreement. See "Certain Relationships and Related Person Transactions—Tax Receivable Agreement" and "Certain Relationships and Related Person Transactions—Rani LLC Agreement."

Future Funding Requirements

Based on our current operating plan, as of June 2021, we estimate that our existing cash and cash equivalents will be sufficient to fund our operating expenses and capital expenditure requirements through at least the next twelve months. We have based this estimate on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we expect. Because of the numerous risks and uncertainties associated with the development of the RaniPill capsule and because the extent to which we may enter into strategic collaborations or other arrangements with third parties for development of the RaniPill capsule is unknown, we are unable to estimate the timing and amounts of increased capital outlays and operating expenses associated with completing the research and development of our product candidates.

To date, we have not generated any commercial product revenue. We do not expect to generate any commercial product revenue unless and until we obtain regulatory approval and commercialize any of our commercial product candidates, and we do not know when, or if at all, that will occur. We will continue to require additional capital to develop our product candidates and fund operations for the foreseeable future. Our primary uses of cash are to fund our operations, which consist primarily of research and development expenses related to our programs, manufacturing automation and scaleup, and general and administrative expenses. We expect our expenses to continue to increase in connection with our ongoing activities as we continue to advance the RaniPill capsule. In addition, we expect to incur additional costs once we are operating as a public company.

We may seek to raise capital through equity offerings or debt financings, collaboration agreements, or other arrangements with other companies, or through other sources of financing. Adequate additional funding may not be available to us on acceptable terms or at all. Our failure to raise capital as and when needed could have a negative impact on our consolidated financial condition and our ability to pursue our business strategies.

We anticipate that we will need to raise substantial additional capital, the requirements of which will depend on many factors, including:

- the progress, costs, trial design, results of and timing of our preclinical studies and clinical trials;
- the progress, costs, and results of our research pipeline;
- the willingness of the FDA or other regulatory authorities to accept data from our clinical trials, as well as data from our completed and planned clinical trials and preclinical studies and other work, as the basis for review and approval of the RaniPill capsule for various indications;
- the outcome, costs, and timing of seeking and obtaining FDA, and any other regulatory approvals;
- the number and characteristics of product candidates that we pursue;
- our ability to manufacture sufficient quantities of the RaniPill capsules;
- our need to expand our research and development activities;
- the costs associated with manufacturing our product candidates, including establishing commercial supplies and sales, marketing, and distribution capabilities;
- the costs associated with securing and establishing commercial infrastructure;
- the costs of acquiring, licensing, or investing in businesses, product candidates, and technologies;
- our ability to maintain, expand, and defend the scope of our intellectual property portfolio, including the amount and timing of any payments we may be required to make, or that we may receive, in connection with the licensing, filing, prosecution, defense, and enforcement of any patents or other intellectual property rights;
- our need and ability to retain key management and hire scientific, technical, business, and engineering personnel;
- the effect of competing drugs and product candidates and other market developments;
- the timing, receipt, and amount of sales from our potential products, if approved;
- our ability to establish strategic collaborations;
- our need to implement additional internal systems and infrastructure, including financial and reporting systems;
- security breaches, data losses or other disruptions affecting our information systems;
- the economic and other terms, timing of and success of any collaboration, licensing, or other arrangements which we may enter in the future; and
- the effects of disruptions to and volatility in the credit and financial markets in the United States and worldwide from the COVID-19 pandemic.

If we raise additional capital through debt financing, we may be subject to covenants that restrict our operations including limitations on our ability to incur liens or additional debt, pay dividends, make certain

investments, and engage in certain merger, consolidation, or asset sale transactions. Any debt financing or additional equity that we raise may contain terms that are not favorable to us. If we raise funds through collaborations, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs, product candidates or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds when needed, we may be required to delay, reduce, or terminate some or all of our development programs and clinical trials. In addition, our ability to raise additional capital may be adversely impacted by potential worsening global economic conditions and the recent disruptions to and volatility in the credit and financial markets in the United States and worldwide resulting from the ongoing COVID-19 pandemic.

Cash Flows

The following table summarizes our cash flows for the periods presented (in thousands):

	Years Ended December 31,		Three Months Ended March 31,	
	2019	2020	2020	2021
Net cash used in operating activities	$ (26,267)	$ (14,960)	$ (6,122)	$ (4,048)
Net cash used in investing activities	(1,532)	(1,200)	(900)	(99)
Net cash provided by financing activities	852	72,682	—	7,751
Net (decrease) increase in cash and cash equivalents	$ (26,947)	$ 56,522	$ (7,022)	$ 3,604

Operating Activities

Net cash used in operating activities for the three months ended March 31, 2021 was $4.0 million, which was primarily attributable to a net loss of $5.6 million, non-cash depreciation and amortization of $0.1 million, and change in the fair value of preferred unit warrant liability of $0.2 million, equity-based compensation expense from a secondary sales transaction of $0.5 million, partially offset by an increase in operating assets and liabilities of $0.7 million.

Net cash used in operating activities for the three months ended March 31, 2020 was $6.1 million, which was primarily attributable to a net loss of $5.4 million and non-cash depreciation and amortization of $0.2 million, partially offset by payment of the related party payable balance of $1.5 million.

In 2020, net cash used in operating activities was $15.0 million, which consisted of a net loss of $16.7 million, partially offset by $0.7 million in non-cash charges and a net change of approximately $1.0 million in our net operating assets and liabilities. The non-cash charges primarily consisted of depreciation of $0.6 million. The net change in our operating assets and liabilities was primarily due to an increase in deferred revenue of $2.5 million resulting from the amendment of the evaluation agreement with Takeda, partially offset by a net reduction of $1.8 million resulting from paying down our related party payable balance.

For the year ended December 31, 2019, net cash used in operating activities was $26.3 million, which consisted of a net loss of $26.6 million, partially offset by $0.5 million in non-cash charges and a net change of $0.2 million in our net operating assets and liabilities. The non-cash charges primarily consisted of depreciation of $0.6 million. The net change in our operating assets and liabilities was primarily due to a net increase in related party payables and accrued expenses of $0.4 million, partially offset by a net decrease in prepaid expenses, accounts payable, and deferred revenue of approximately $0.5 million resulting from our evaluation agreement with Takeda.

Investing Activities

For the three months ended March 31, 2021, net cash used in investing activities was $0.1 million, consisting solely of purchases of property and equipment.

For the three months ended March 31, 2020, net cash used in investing activities was $0.9 million, consisting solely of purchases of property and equipment.

For the year ended December 31, 2020, net cash used in investing activities was $1.2 million, consisting solely of purchases of property and equipment of $1.2 million.

For the year ended December 31, 2019, net cash used in investing activities was $1.5 million, consisting primarily of purchases of property and equipment of $1.6 million.

Financing Activities

For three months ended March 31, 2021, cash provided by financing activities was approximately $7.8 million, consisting of the sale and issuance of 884,276 units of our Series E Preferred Units, for net proceeds of $6.3 million, and $1.7 million of principal payments received from our related party notes receivable.

For three months ended March 31, 2020, there were no financing activities.

For the year ended December 31, 2020, cash provided by financing activities was approximately $72.7 million, consisting of the sale and issuance of 9.6 million units of our Series E Preferred Units, for net proceeds of $68.5 million, $1.3 million of proceeds relating to our PPP Loan, and net proceeds of $2.8 million relating to our Avenue Loan Agreement.

For the year ended December 31, 2019, cash provided by financing activities was approximately $0.9 million, consisting of principal by a related party against their related party notes receivable.

Contractual Obligations and Other Commitments

The following table summarizes our contractual obligations and commitments as of March 31, 2021 (in thousands):

	Payments due by period		
	Total	Less than one year	1 to 3 years
PPP Loan (1)	$1,279	$ 1,209	$ 70
Loan and Security Agreement (2)	3,000	750	2,250
Service Agreement (3)	579	579	—
Total	$4,858	$ 2,538	$ 2,320

(1) In April 2020, we received loan proceeds in the amount of approximately $1.3 million under the PPP loan, established pursuant to the CARES Act which we plan to repay in 2021.

(2) In September 2020, we entered into the Avenue Loan Agreement. As of December 31, 2020, we had drawn $3.0 million, which is payable by September 2023.

(3) Effective December 31, 2020, the term of our service agreement with ICL, which includes leasing of the office space, laboratories and manufacturing facilities, expired. We are party to a services agreement with ICL. Under the terms of this agreement we pay for the use of office space, laboratory and manufacturing facilities as well as certain services provided by ICL's personal. The agreement auto renews annually unless terminated by the parties.

We have also entered into other contracts in the normal course of business with certain CROs and other third parties for preclinical studies, clinical trials, non-clinical studies and testing, and other services and products for operating purposes. These contracts generally provide for termination following a certain period after notice, and therefore, we believe that our non-cancelable obligations under these agreements are not material. Payments due upon cancellation consist only of payments for services provided and expenses incurred, including non-cancelable obligations for our service providers, up to the date of cancellation.

Critical Accounting Policies, Significant Judgments and Use of Estimates

This management's discussion and analysis of financial condition and results of operations is based on our consolidated financial statements, which have been prepared in accordance with generally accepted accounting principles in the United States. The preparation of these consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of these consolidated financial statements, as well as the reported expenses incurred during the reporting periods. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. The economic uncertainty in the current environment caused by the COVID-19 pandemic could limit our ability to accurately make and evaluate our estimates and judgments.

Actual results may differ from these estimates under different assumptions or conditions. We believe that the accounting policies discussed below are critical to understanding our historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates.

While our significant accounting policies are described in the Note 2 to our consolidated financial statements at the end of this prospectus, we believe that the following accounting policies are the most critical to understanding and evaluating our reported financial results.

Revenue Recognition

Revenue is recognized when control of promised goods or services is transferred to a customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To determine revenue recognition for its arrangements with customers, we perform the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

We perform evaluation services for our biopharmaceutical customers utilizing the RaniPill capsule. These contract revenue evaluation services typically represent a single performance obligation as we perform evaluation and testing of the customer's drug molecule delivery using the RaniPill capsule. Revenue for an individual contract is recognized at the related transaction price, which is the amount we expect to be entitled to in exchange for transferring these services. The terms of the evaluation services agreements usually include payments for evaluation services. Customer options, such as options granted to allow a customer to acquire later stage evaluation services, are evaluated at contract inception in order to determine whether those options provide a material right (i.e., an optional good or service offered for free or at a discount) to the customer. If the customer options represent a material right, the material right is treated as a separate performance obligation at the outset of the arrangement. The Company allocates the transaction price to material rights based on the standalone selling price, and revenue is recognized when or as the future goods or services are transferred or when the option expires. Customer options that are not material rights do not give rise to a separate performance obligation, and as such, the additional consideration that would result from a customer exercising an option in the future is not included in the transaction price for the current contract. Instead, the option is deemed a marketing offer, and additional option fee payments are recognized or being recognized as revenue when the licensee exercises the option. The exercise of an option that does not represent a material right is treated as a separate contract for accounting purposes. For arrangements where the anticipated period between timing of transfer of services and the timing of payment is one year or less, the Company has elected to not assess whether a significant financing component exists. The Company recognizes evaluation services revenue over the period in which evaluation services are provided. Specifically, the Company recognizes revenue using an output method to measure progress, using samples processed relative to total expected samples to be processed as its measure of progress. For services under these arrangements, costs incurred are included in research and development expenses in the Company's consolidated statements of operations and comprehensive loss.

Incremental costs of obtaining contracts are expensed when incurred when the amortization period of the assets that otherwise would have been recognized is one year or less. To date none of these costs have been material. The costs to fulfill the contracts are determined to be immaterial and are recognized as an expense when incurred.

Contract assets are generated when contractual billing schedules differ from revenue recognition timing and the Company records contract receivable when it has an unconditional right to consideration. No contract asset balance has been recorded for any periods presented.

Contract liabilities are recorded as deferred revenue when cash payments are received or due in advance of performance or where the Company has unsatisfied performance obligations. As of December 31, 2019, December 31, 2020 and March 31, 2021, the contract liabilities were $0.2 million, $2.7 million and $2.0 million, respectively. The Company expects to recognize all of the remaining transaction price for the contract liability recorded as deferred revenue at March 31, 2021 within the next 12 months.

Research and Development Expenses

Research and development costs are expensed as incurred. Research and development expenses to date consist primarily of contract research fees and process development, outsourced labor and related expenses for personnel, facilities cost, fees paid to consultants and advisors, depreciation and supplies used in research and development. Payments made prior to the receipt of goods or services to be used in research and development activities are recorded as prepaid expenses until the related goods or services are received. Clinical and preclinical costs are a component of research and development expense. Until future commercialization is considered probable and the future economic benefit is expected to be realized we do not capitalize pre-launch inventory costs.

Costs of property and equipment related to scaling-up our manufacturing capacity for clinical trials and to support commercialization are capitalized as property and equipment unless the related asset does not have an alternative future use.

We accrue and expenses clinical and pre-clinical trial activities performed by third parties based upon actual work completed in accordance with agreements established with its service providers. We determine the actual costs through discussions with internal personnel and external service providers as to the progress or stage of completion of services and the agreed-upon fee to be paid for such services. The majority of our service providers invoice us monthly in arrears for services performed. We make estimates of our accrued expenses as of each reporting period in our consolidated financial statements based on facts and circumstances at that time. We periodically confirm the accuracy of our estimates with the service providers and make adjustments if necessary.

Although we do not expect our estimates to be materially different from amounts actually incurred, our understanding of the status and timing of services performed relative to the actual status and timing of services performed may vary and may result in reporting amounts that are too high or too low in any particular period. To date, there have not been any material adjustments to our prior estimates of research and development expenses.

Estimated Fair Value of Preferred Unit Warrant Liability

We have issued freestanding warrants to purchase shares of our preferred units. These freestanding warrants are classified as liabilities in the consolidated balance sheet and remeasured at each reporting period at fair value as they contain terms for redemption that are outside our control and do not meet the criteria for equity classification. We estimate the fair value of preferred unit warrants at each reporting period, using a hybrid between the probability weighted expected return and option pricing methods, estimating the probability weighted value across multiple scenarios, but using the option pricing method to estimate the allocation of value within one or more of those scenarios, until the earlier of the exercise of the preferred unit warrants, at which

time the liability will be revalued and reclassified to members' deficit, the expiration of the preferred unit warrants or the completion of a liquidation event, including the completion of an initial public offering ("IPO"). The determination of fair value of these preferred unit warrants requires management to make certain assumptions regarding subjective input variables such as estimated fair value of the underlying convertible preferred units at the measurement date, timing and likelihood of achieving a liquidity event, risk free interest rates, expected volatility, and a discount for lack of marketability reflective of the different rights of the preferred unit warrant holders. We re-measure the fair value of all warrants at each financial reporting date with any changes in fair value being recognized as a component of other income (expense), net in the consolidated statements of operations and comprehensive loss. We will continue to re-measure the fair value of the preferred unit warrant liabilities until exercise or expiration of the related preferred unit warrants.

Equity-Based Compensation

We have granted equity-based awards to our employees and or consultants and certain employees of ICL in the form of non-vested units, or Profits Interests. These Profits Interests are considered to be a substantive class of equity. All awards of Profits Interests are measured based on the fair value of the award on the date of grant and are subject vest based the service of the grantee and only upon a non IPO liquidation event or Rani meeting certain revenue hurdles. We evaluate the probability of achieving each performance condition at each reporting date and recognize expense over the requisite service period when it is deemed probable that a performance condition will be met using the accelerated attribution method over the requisite service period. Equity-based compensation expenses are classified in the consolidated statements of operations and comprehensive loss based on the job functions of the related employees. Forfeitures are recognized when they occur.

Profits Interests and Preferred Unit Valuation

As there has been no public market for the fair value of our units, the fair value our preferred units, which is an input into the estimated fair value of our preferred unit warrants, and Profits Interests has been determined by our board of directors with the assistance of management and an independent third-party valuation specialist. We believe our board of directors has the relevant experience and expertise to determine the fair value of our preferred units and Profits Interests. In determining the fair value of the preferred units and Profits Interests, the methodologies used to estimate the enterprise values were performed using methodologies, approaches, and assumptions consistent with the American Institute of Certified Public Accountants Accounting and Valuation Guide, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation* ("AICPA Accounting and Valuation Guide"). In accordance with the AICPA Accounting and Valuation Guide, our board of directors considered the following methods:

- *Current value method*. Under the Current Value Method, our value is determined based on our balance sheet. This value is then first allocated based on the liquidation preference associated with preferred units issued as of the valuation date, and then any residual value is assigned to the common units and Profits Interests.

- *Option-pricing method*. Under the option-pricing method, shares are valued by creating a series of call options with exercise prices based on the liquidation preferences and conversion terms of each equity class. The estimated fair values of the preferred units, common units and Profits Interests are inferred by analyzing these options.

- *Probability-weighted expected return method*. The probability-weighted expected return method, is a scenario-based analysis that estimates value per share based on the probability-weighted present value of expected future investment returns, considering each of the possible outcomes available to us, as well as the economic and control rights of each unit class.

The assumptions we use in the valuation model are based on future expectations combined with management's judgment. In the absence of a public trading market, our board of directors, with input from

management, exercised significant judgment and considered numerous objective and subjective factors to determine the fair value of the preferred units and Incentive Units as of the date of reporting period or each award, including the following factors:

- independent valuations performed at periodic intervals by an independent third-party valuation firm;
- the prices at which we sold shares of preferred units and the superior rights and preferences of the preferred units relative to our common units at the time of each grant;
- the progress of our research and development programs, including the status and results of preclinical studies for our product candidates;
- our stage of development and commercialization and our business strategy;
- external market conditions affecting the biopharmaceutical industry and trends within the biopharmaceutical industry;
- our financial position, including cash on hand, and our historical and forecasted performance and operating results;
- the lack of an active public market for our common units, preferred units or preferred unit warrants;
- the likelihood of achieving a liquidity event, such as an IPO, or sale of our company in light of prevailing market conditions; and
- the analysis of IPOs and the market performance of similar companies in the biopharmaceutical industry.

The assumptions underlying these valuations represented our board of directors and management develop best estimates based on application of these approaches and the assumptions underlying these valuations, giving careful consideration to the advice from our third-party valuation expert. Such estimates involve inherent uncertainties and the application of significant judgment. As a result, if factors or expected outcomes change and we use significantly different assumptions or estimates, our equity-based compensation could be materially different.

As of March 31, 2021, the aggregate value of our unvested Profits Interests was $ million based on the estimated fair value for our unit of $ per Class A Common share, which is the midpoint of the estimated public offering price range set forth on the cover page of this prospectus. As of March 31, 2021, we had $14.9 million of unrecognized compensation expense related to Profits Interests subject to a performance condition.

Off-Balance Sheet Arrangements

As of March 31, 2021, we did not have any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

Recently Adopted Accounting Standards

See Note 2 to our consolidated financial statements in this prospectus for more information about recent accounting standards, the timing of their adoption, and our assessment, to the extent we have made one yet, of their potential impact on our consolidated financial condition and consolidated results of operations.

Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

The market risk inherent in our consolidated financial instruments and in our financial condition represents the potential loss arising from adverse changes in interest rates or exchange rates. As of December 31, 2019, December 31, 2020, and March 31, 2021, we had cash, and cash equivalents of $16.5 million, $73.1 million, and $76.7 million, respectively.

Our PPP Loan bears interest at a fixed rate of 1.00% and therefore, is not subject to interest rate variability. Additionally, as of March 31, 2021, the principal amount owed under our Avenue Loan Agreement, was $3.0 million. The Avenue Loan Agreement bears interest at a variable rate interest per annum equal to the sum of the greater of the Prime Rate (which is the rate of interest per annum from time to time published in the money rates section of The Wall Street Journal) and 3.25%, plus 8.00%.

Our cash and cash equivalents and interest payments in respects of our Avenue Loan Agreement are subject to market risk due to changes in interest rates. We do not believe that an increase or decrease in interest rate of 100 basis points would have a material effect on our business, consolidated financial condition or consolidated results of operations.

Foreign Currency Risk

All of our employees and our operations are currently located in the United States. We have, from time to time, engaged in contracts with contractors or other vendors in a currency other than the U.S. dollar. To date, we have had minimal exposure to fluctuations in foreign currency exchange rates as the time period between the date that transactions are initiated, and the date of payment or receipt of payment is generally of short duration. Accordingly, we believe we do not have a material exposure to foreign currency risk.

We do not believe that inflation had a material effect on our business, financial condition or results of operations during the periods presented.

Emerging Growth Company Status

In April 2012, the JOBS Act was enacted. Section 107 of the JOBS Act provides that an emerging growth company may take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards. Therefore, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies.

We are an “emerging growth company” as defined in the JOBS Act. We will remain an emerging growth company until the earliest to occur of: (i) the last day of the fiscal year in which we have more than $1.07 billion in annual revenue; (ii) the date we qualify as a “large accelerated filer,” with at least $700.0 million of equity securities held by non-affiliates; (iii) the issuance, in any three-year period, by us of more than $1.0 billion in non-convertible debt securities; and (iv) the last day of the fiscal year ending after the fifth anniversary of this offering.

As a result of this status, we elected to take advantage of reduced reporting requirements in the registration statement, of which this prospectus forms a part and may elect to take advantage of other reduced reporting requirements in our future filings with the SEC. In particular, in this prospectus, we have provided only two years of audited consolidated financial statements and have not included all of the executive compensation-related information that would be required if we were not an emerging growth company. In addition, the JOBS Act provides that an emerging growth company can take advantage of an extended transition period for

complying with new or revised accounting standards, delaying the adoption of these accounting standards until they would apply to private companies. We have elected to use this extended transition period to enable us to comply with new or revised accounting standards that have different effective dates for public and private companies until the earlier of the date we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our financial statements may not be comparable to companies that comply with the new or revised accounting standards as of public company effective dates.

BUSINESS

Overview

We are a clinical stage biotherapeutics company advancing technologies to enable the development of orally administered biologics, which we believe have the potential to transform medicine and improve patient outcomes. We have developed the RaniPill capsule, which is our novel, proprietary and patented platform technology, intended to replace subcutaneous or IV injection of biologics with oral dosing. The RaniPill capsule is an orally ingestible pill approximately the size of a "000" capsule (or similar to the size of a standard fish oil or calcium pill) that is designed to automatically administer a precise therapeutic dose of medication upon deployment in the small intestine. To date, we have successfully conducted several preclinical and clinical studies to evaluate safety, tolerability and bioavailability using the RaniPill capsule. Our development efforts have enabled us to construct an extensive intellectual property portfolio that we believe provides us a competitive advantage.

Biologics refers to a broad class of therapeutics that are derived from proteins and human genes and is the fastest growing segment of the pharmaceutical industry. In 2019, sales of biologics were estimated to have reached $269.0 billion and are projected to reach approximately $465.0 billion by 2023. Eight of the 10 highest-revenue-producing drugs in the world are biologics, including adalimumab, the best-selling drug globally in 2019. Adalimumab, sold under the brand name Humira, generated approximately $20.0 billion in sales in 2019.

Biologics, while effective, must generally be administered either through IV, intramuscular, or subcutaneous injection. This long term use of injectable drugs represents a serious burden to patients which impacts quality of life and compliance with therapy. Fear of needles and the associated pain often leads patients to delay taking their injections and even deliberately miss treatments. Such lack of adherence to dosing results in ineffective therapy and compromises the effective management of chronic diseases. Patient aversion to injections has promoted a significant interest in the development of solutions to enable the oral delivery of biologics. Despite repeated attempts, oral delivery of biotherapeutics remains largely unsuccessful due to their rapid degradation and digestion in the GI environment. The most significant hurdle for oral biologics is the ability to achieve sufficient bioavailability, which is the proportion of delivered dose that reaches the bloodstream, to produce an intended therapeutic effect. Most prior attempts have taken a chemistry-based approach, which involves protecting the biologic from being digested and improving absorption by chemical agents. The best attempts have resulted in low bioavailability of peptides up to 1%.

In contrast to these prior attempts, our studies conducted to date have demonstrated high mean bioavailability via the RaniPill capsule, similar to subcutaneous injection, in the mean range of 47% to 78%, with high dosing accuracy. Our studies have indicated that the RaniPill capsule can orally deliver a number of biologics, from peptides to antibodies. We also believe our technology may have application in delivering emerging cell and gene therapies.

The RaniPill capsule's proprietary protective coating is designed to withstand the stomach acid and only dissolve in the jejunum, the upper half of the small intestine. Once dissolved, a microneedle containing a biologic drug is delivered into the highly vascularized wall of the small intestine so that the biologic can enter the bloodstream.

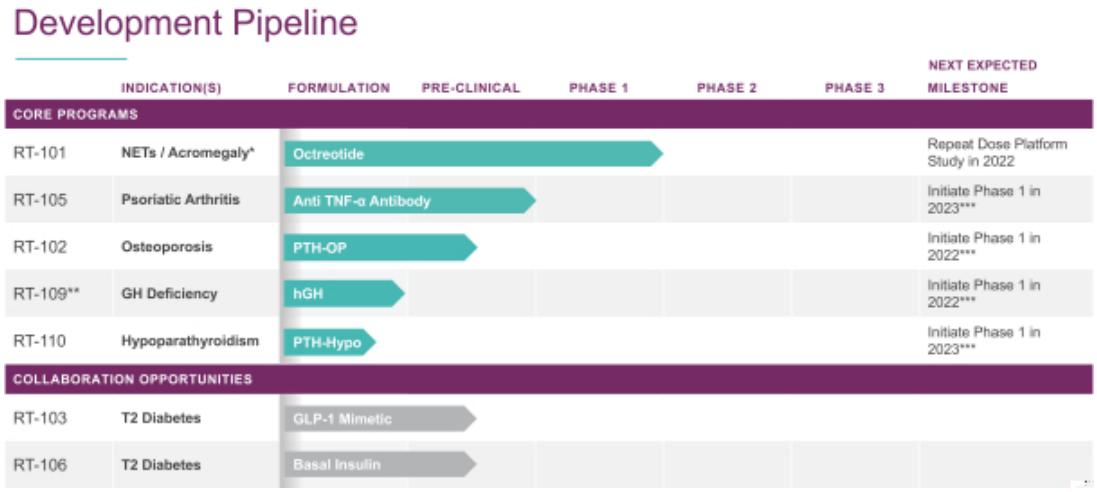
We have tested our most advanced product candidate in a Phase 1 clinical trial conducted in Australia, and we are further optimizing the formulation in preparation for a regulatory submission to FDA to initiate subsequent trials. Based on discussions with the FDA and the guidance we have received from CDRH in a pre-IDE meeting, we expect to be able to conduct further testing in humans in the contemplated IDE study of the RaniPill in the United States. In this study, we will evaluate the safety and tolerability of the RaniPill capsule, independent of any drug or biologic. This will be followed by a more standard regulatory pathway for each of our pipeline pipeline candidates. Our current pipeline includes well-characterized biologics that have been in clinical use for several years. We believe that we may be able to leverage the FDA's prior conclusions of safety, purity and potency for certain approved biologic products in our own BLA. The degree to which we may be able to

reduce the burden on our own development will depend on whether the API is the same as the original approved product, particularly for products originally approved as NDAs and now deemed to be biologics. We intend to have this clarified on a product-by-product basis in pre-IND meetings with the FDA for each of the pipeline product candidates.

Our Pipeline

The broad utility of the RaniPill capsule to enable the oral delivery of biologics reliably provides us with a range of attractive development opportunities. We have prioritized development of these opportunities based on specific scientific, developmental, regulatory and commercial considerations to optimize our portfolio of targeted product candidates. Our core internal development targets are focused on well-characterized molecules with attractive commercial characteristics. We believe selection of these targets will allow us to potentially accelerate product approval and market launch, while also broadening patient, provider and payor acceptance of the RaniPill capsule.

Our pipeline includes five core product candidate programs. Additionally, we envision complementing these core programs with robust partnering activities to maximize the value inherent in the RaniPill capsule. Below is a summary of our product candidate pipeline.



RT-XXX refers to the RaniPill capsule containing a biologic in a proprietary Rani formulation.
*Each of these indications will require separate trials.
**CCHN will have a limited opportunity to negotiate for rights within China.
***To follow submission and clearance of IND.

RT-101: Octreotide for the treatment of NETs and acromegaly

We are developing, RT-101, our most advanced candidate, for oral administration of octreotide for acromegaly and NETs. Octreotide is currently approved by the FDA and EMA for the symptomatic treatment of acromegaly, a disorder involving the secretion of excessive growth hormone, as well as carcinoid syndrome, a condition involving NETs of the GI tract. Current treatment using octreotide involves painful subcutaneous injections administered three to four times daily or an extended release formulation via painful, deep intramuscular injections every four weeks. Despite the inconvenience of the current route of administration, the worldwide market for octreotide in 2020 was approximately $2.7 billion. By introducing an oral version of octreotide, we aim to improve patients' quality of life, eliminate the burden and pain of these injections, and enable patients to more conveniently manage their disease.

We have completed a Phase 1 clinical trial in which bioavailability of RT-101 was 65% relative to the IV group. We believe this is the first demonstration of such high bioavailability of an oral biologic in humans. To

date, the best published bioavailability for oral octreotide is approximately 1%. The results of the RT-101 Phase 1 clinical trial support the utility of the RaniPill capsule to deliver octreotide orally. In addition, the results indicate that the RaniPill capsule may be used for other biologics. We are further optimizing the formulation in preparation for subsequent clinical trials with RT-101. We have worldwide commercial rights to RT-101.

RT-105: Anti-TNF-alpha antibody for the treatment of psoriatic arthritis

We are developing RT-105 as an oral anti-TNF-alpha antibody for a host of inflammatory conditions. Several TNF-alpha antibodies such as adalimumab have been approved by the FDA and EMA to treat a range of autoimmune conditions, including psoriasis, rheumatoid arthritis and Crohn's disease. Humira is a well-known brand of adalimumab and the world's best-selling drug, with worldwide sales of approximately $20.0 billion in 2019. Patients who use adalimumab administer the drug through a painful subcutaneous injection once every two weeks. We believe RT-105 represents a substantial global market opportunity.

We embarked on this program using commercially available TNF-alpha inhibitors (adalimumab and biosimilar) to conduct preclinical and clinical feasibility and proof of concept studies. To date, we have developed a formulation of a TNF-alpha inhibitor we believe to be suitable for use with the RaniPill capsule and have conducted a series of preclinical studies and an early clinical study which support our ability to reliably achieve therapeutic serum concentrations of the antibody via direct injection into the intestinal wall. We plan to initiate a Phase 1 clinical trial of RT-105 in healthy volunteers in 2023 and develop it for the treatment of psoriatic arthritis. Later, we plan to expand RT-105 to other indications for which TNF-alpha inhibitors are approved. We have worldwide commercial rights to RT-105.

RT-102: Parathyroid hormone for the treatment of osteoporosis

We are developing RT-102 for oral administration of PTH for the treatment of osteoporosis. PTH is approved by the FDA for the treatment of osteoporosis, a bone-loss disease, as well as for other conditions. While there are several medications available for the prevention or treatment of osteoporosis, the bone-building treatments, such as PTH, require frequent painful subcutaneous injections. Approximately 10 million Americans suffer from osteoporosis; however, we estimate only a small fraction of this population is being treated with PTH analogs. While there may be other reasons for this, we believe that patients' aversion to daily injections may be a major factor. As a result, non-bone-building and less effective antiresorptive drugs are used as first line therapies because they are available in oral form. We believe an oral version of PTH would advance treatment of osteoporosis and has the potential to expand this market.

We have optimized our PTH formulation for use in the RaniPill capsule for the treatment of osteoporosis, and are currently conducting preclinical studies with RT-102. We plan to initiate a Phase 1 clinical trial with RT-102 in healthy volunteers in 2022. We have worldwide commercial rights to RT-102.

RT-109: hGH for the treatment of growth hormone deficiency

We are developing RT-109 for oral administration of hGH for the treatment of growth hormone deficiency. HGH is approved by the FDA for the treatment of growth hormone deficiency. Current treatment with hGH involves daily painful subcutaneous injections. Despite this, worldwide sales of hGH totaled approximately $6.0 billion in 2020. We believe that both pediatric and adult patients suffering from growth hormone deficiency would prefer once-daily oral administration.

We are finalizing our hGH formulation for the RaniPill capsule and are conducting preclinical PK studies. We plan to initiate a Phase 1 clinical trial in healthy volunteers in 2022. We have worldwide commercial rights to RT-109. We have entered into an Evaluation and First Right of Refusal Agreement with Changchun High & New Technology Industries, or CCHN, which includes limited rights to negotiate commercialization rights for RT-109 in China.

RT-110: Parathyroid hormone for the treatment of hypoparathyroidism

We are developing RT-110 for oral administration of a novel formulation of PTH for the treatment of hypoparathyroidism. PTH is already approved by the FDA for the treatment of hypoparathyroidism, a rare condition that affects approximately 115,000 people in the United States; however, treatment requires painful daily injections and we believe there is an unmet need for a more convenient delivery method. We believe that RT-110, through providing the convenience of oral administration, may be able to meet this need.

We plan to initiate preclinical PK studies once our PTH formulation has been optimized. We have worldwide commercial rights to RT-110.

RT-103: GLP-1 mimetic for the treatment of Type 2 diabetes

We are developing RT-103 for oral administration of a GLP-1 mimetic for the treatment of Type 2 diabetes. We believe that RT-103 would be appealing to patients that currently use injectable versions of GLP-1 mimetics, and plan to pursue opportunities with large pharmaceutical companies to co-develop and commercialize RT-103.

RT-106: basal insulin for the treatment of Type 2 diabetes

We are developing RT-106 for oral administration of basal insulin for the treatment of Type 2 diabetes. We believe that RT-106 would have significant benefit to the millions of people living with Type 2 diabetes. We intend to pursue partnership opportunities with large pharmaceutical companies to co-develop and commercialize RT-106.

Our Strategy

Our strategic vision is to disrupt and expand the approximately $269.0 billion injectable biologics therapeutics industry by developing and advancing oral biologics therapies. We are committed to delivering oral biologic solutions for patients living with burdensome chronic diseases. We believe that the RaniPill capsule will improve the lives of millions of patients with chronic diseases who currently depend on biologics available only as injections.

The key elements of our strategy include:

- **Pursue validated and commercially established market opportunities**. We intend to pursue high-value markets with biologics that are already approved where we can develop our own differentiated products. We believe that these products will take market share from available therapies, while also expanding existing markets by reaching new patient populations that otherwise are not being treated by injectable biologics. We have designed our platform to be drug-agnostic, which could enable us to expand into additional markets beyond our current pipeline.

- **Establish the RaniPill capsule as a platform technology with regulatory authorities**. Initially, we plan to demonstrate the safety and tolerability of the RaniPill capsule through clinical studies, independent of any drug or biologic. Data from these studies will be used to support subsequent product applications.

- **Expand in-house manufacturing of the RaniPill capsule**. We have vertically integrated our manufacturing, and plan to continue to scale and optimize our manufacturing processes by expanding our use of automation. In addition, we are filing patents to protect our novel manufacturing processes.

- **Invest in RaniPill platform capabilities**. We intend to become a leader in oral biologics by continuing to invest in our technology, by expanding payload capacity and developing novel biologic formulations in order to maximize the number of therapeutic targets and addressable markets.

- **Expand our reach by selectively entering into strategic partnerships**. We are opportunistically exploring strategic partnerships to enable us to expand our commercial reach and enable oral administration of a broader array of biologics.

- **Continue to strengthen our intellectual property portfolio**. Our patent portfolio has helped establish us as a leading oral biologics company. We plan to continue to innovate and expand our intellectual property by developing novel formulations and new applications of the RaniPill capsule.

Industry Overview

The Market for Biologics

More than half of the adult population of the United States has one or more chronic diseases. The affected population is expected to continue to grow as the population ages. Chronic conditions, including cancers, cardiovascular diseases, autoimmune diseases and metabolic disorders, are increasingly being treated with biologics. Biologics include recombinant therapeutic proteins, peptides and monoclonal antibodies, as well as cell and gene therapies, and constitute one of the largest and fastest growing segments of medicines in the world, as measured by revenue. In 2019, worldwide sales of biologics, including biosimilars, were estimated to have reached approximately $269.0 billion and are projected to reach $465.0 billion by 2023. Eight of the 10 highest revenue-producing drugs in the world are biologics, including the best-selling drug globally in 2019, adalimumab, sold under the brand name Humira. We believe that oral biologics have the potential to disrupt this large and growing market and significantly improve the quality of life of millions of patients.

The Burden of Injectable Biologics for Patients

To date, most biologics require repeated, painful injections – either subcutaneously, intramuscularly, or intravenously. A regimen of injections represents a serious burden to patients, which impacts quality of life and compliance with therapy. Potential lack of compliance may influence physician treatment decisions and delay the prescribing of biologics until after the disease has progressed significantly. In diabetes, for example, basal insulin administered early in newly diagnosed pre-diabetic (insulin-resistant) and diabetic patients has been shown to slow the progression of the disease but is currently prescribed as a last line therapy due to an aversion to injections. For patients who have been prescribed a regimen of injectables, fear of needles and the associated pain often leads patients to delay taking their injections and even deliberately miss treatments. Such lack of adherence to dosing schedules, in turn, results in ineffective therapy and compromises the effective management of chronic diseases.

To reduce the burden of injections on patients and thereby improve compliance, developers of many biologics made the choice to introduce infrequent dosing regimens (weekly, bi-weekly or even monthly injections) using higher doses that would provide protracted exposures over days and weeks. Even so, compliance remains an issue. Additionally, larger doses increase therapeutic exposure and can result in high levels of the biologic in circulation within the bloodstream, which in turn can increase the potential for serious, off-target adverse reactions. From a pharmacological perspective, a preferred dosing regimen for most drugs is daily dosing, using the smallest effective dose to tightly maintain therapeutic exposures and prevent high levels of the biologic circulating in the bloodstream. Disease management is more effective with frequent small dosing, which, to date, remains elusive for biologics.

Prior Efforts to Deliver Biologics Orally

Numerous attempts have been made to deliver biologics orally but have been met with little success. Most attempts have taken a chemistry-based approach, which involve protecting the biologic from being digested and improving absorption by chemical agents. The best attempts have resulted in under 1% bioavailability. Only a few types of biologics, such as small peptides, which have long half-lives and wide clinically-desirable dosing windows, can be safely and effectively used with chemistry-based approaches. Larger molecular weight biologics, such as antibodies, are not conducive to this approach. In some cases, low bioavailability and dosing variability may be overcome by using much higher doses, such as a hundredfold the dose in the oral version as compared to the injectable, but doing so raises the risk of potential adverse effects as well as unintended health and safety consequences.

The RaniPill capsule has been designed to solve these challenges by taking an alternative approach to administering biologics orally.

Our Solution: The RaniPill Capsule

A Summary Description of the RaniPill Capsule

The RaniPill capsule is a versatile, orally ingestible pill for the administration of a broad range of biologics. Unlike chemistry-based approaches to the oral delivery of biologics, the RaniPill capsule is designed to autonomously inject biologics from the capsule into the intestinal wall.

The RaniPill capsule (purple) next to fish oil pills (yellow) and calcium pills (white).

Image depicts relative but not actual size of capsule or pills.

The RaniPill Advantage

We believe that several characteristics of the RaniPill capsule distinguish it from other technologies of which we are aware that enable the oral delivery of biologics, in development or approved. We anticipate these features will provide us with significant and sustainable competitive advantages. Differentiating attributes of the RaniPill capsule include:

- ***Drug-agnostic platform***: The RaniPill capsule is designed to enable oral delivery of a broad array of biologics, including antibodies, by injecting its microneedle into the intestinal wall. This technique enables the RaniPill capsule to protect the biologic from intestinal fluid and overcome the

body's natural mechanisms that serve to block a biologic from reaching the blood stream from the intestine. In contrast, biologics ingested orally are broken down in the harsh GI environment before they are absorbed into the blood stream. Accordingly, current technologies employed to release biologics within the intestinal lumen have been restricted to a limited number of smaller-sized molecules, typically certain peptides that offer a sufficiently wide clinically-desirable dosing window to allow for significant dosing variability.

- ***Optimized dosing regimen***: We expect that the convenience of the ingestible RaniPill capsule will enable a more frequent dosing regimen as compared to injections. For example, small daily doses can be effective to maintain therapeutic exposure within a narrow range and potentially help minimize adverse events, whereas larger less-frequent doses can lead to issues such as large variations in therapeutic exposure, which directly contributes to adverse events, loss of efficacy, and increased propensity for immunogenic response. Therefore, small frequent doses can be a preferred regimen, and we expect better compliance with the convenience of daily oral dosing with the RaniPill capsule.

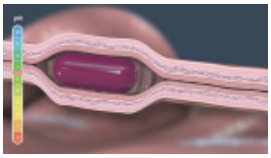
- ***High bioavailability***: Our studies conducted to date have demonstrated that the RaniPill capsule delivers biologics with high mean bioavailability, similar to subcutaneous injection, in the range of 40% to 78%, with high dosing accuracy. Bioavailability in the completed Phase 1 study was 65%. This level of bioavailability is significantly higher than that of currently marketed oral biologics, the best attempts of which have resulted in low bioavailability of peptides in the range of 1% or less. Due to the high bioavailability achievable using the RaniPill capsule, we anticipate a substantial reduction in the per-dose cost of APIs as compared to chemistry-based technologies currently used to enable the oral delivery of biologics.

- ***Patient preference***: Patient preference for an oral alternative is significantly higher than for an injection, a bias which has been confirmed through numerous published studies and patient surveys. Inconvenience, fear of needles, pain, injection site reactions and infection create significant barriers to injections and contribute to lack of compliance in treatment adherence.

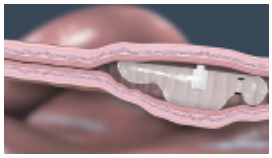
How the RaniPill Capsule Works

The RaniPill capsule is an orally ingestible capsule approximately the size of a fish oil pill. The RaniPill capsule is covered with a protective coating, which resists dissolution in the acidic environment of the stomach. Once the capsule enters the small intestine, dissolution of the protective coating leads to a series of steps that result in delivery of the biologic into the intestinal wall. These steps are illustrated in the figures below.

Cross Section of Intestinal Wall Illustrating Deployment of the RaniPill Capsule

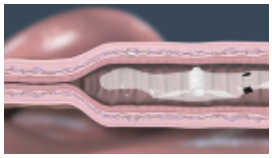


A: RaniPill capsule with protective coating in intestine.



B: Outer shell dissolves and the balloon starts to inflate as the reaction begins.

C: Pressure in the balloon pushes the dissolving microneedle into the intestinal wall.



D: Balloon deflates and is the only remnant that passes through, with the rest of the RaniPill absorbed or dissolved in its current version.

Panel A: As the RaniPill capsule exits the stomach and enters the small intestine, the higher pH environment of the small intestine causes the dissolution of the protective coating.

Panel B: After sustained exposure at a pH of around 6.5, the capsule dissolves, exposing a self-inflating balloon that is separated into two compartments. Reactants in the two compartments are separated by a pinch-valve, which dissolves upon exposure to intestinal fluids. The reactants mix upon dissolution of the pinch-valve to produce carbon dioxide, which inflates the balloon.

Panel C: Inflation of the balloon orients a microneedle contained within the balloon perpendicular to the intestinal wall. The pressure in the balloon injects the microneedle, which is smaller than a grain of rice, into the intestinal wall. In the moist tissue environment, the microneedle dissolves and the drug is rapidly absorbed into the bloodstream.

Panel D: The balloon immediately deflates upon microneedle delivery and is excreted through normal digestive processes.

Key features of the RaniPill capsule

Many of the distinguishing characteristics of the RaniPill capsule originate from internal research activities involving specific components, which have required, in many instances, multiple years to develop and optimize. We believe these efforts have enabled us to establish a broad intellectual property portfolio relating to the RaniPill capsule and the oral delivery of biologics. Several advanced features are detailed below.

- *Lubricious coating to facilitate swallowing* – The RaniPill capsule has a clear outer coating that hydrates upon interaction with saliva to become a lubricious hydrogel. This proprietary coating is designed to enhance ease-of-swallowing of the RaniPill capsule.

- *Protective coating to avoid deployment in the stomach* – Our proprietary pH-sensitive protective coating formulation enables the RaniPill capsule to maintain its integrity through the acidic environment in the stomach and to ensure that the moisture-sensitive release mechanism is protected from the moist environment of the stomach.

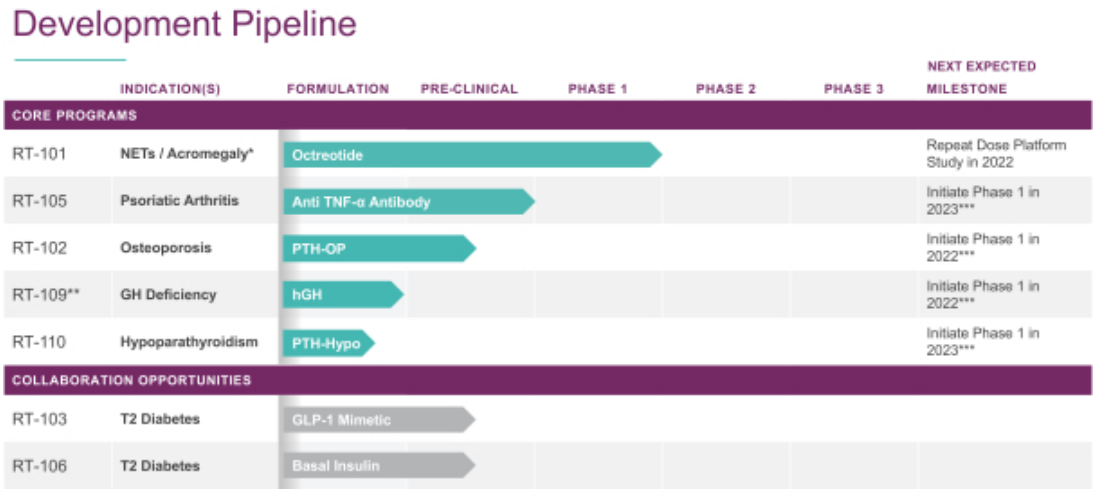
- *Drug-agnostic design to provide a standardized platform* – The RaniPill capsule is designed to deliver any molecule, including peptides, proteins or large antibodies, irrespective of molecular mass. This allows a single platform design to be used across multiple product candidates.

- *Self-inflating balloon to ensure reliable delivery* – The self-inflating balloon provides the optimal pressure to deliver the dissolvable microneedle. In addition, the novel design of the balloon positions the microneedle perpendicularly to the intestinal wall for reliable drug delivery, with up to 80% drug delivery success observed in our initial clinical study. The self-inflating balloon has been designed to minimize GI discomfort.

- *Proprietary microneedle design to preserve drug integrity and sterility* – The dissolvable microneedle is made from injectable-grade, sterile materials. The hollow microneedle is designed to accommodate the biologic formed into a microtablet of up to 3 mg. The sealed microneedle preserves the integrity and sterility of the biologic until the point of delivery.

Our Pipeline

The broad utility of the RaniPill capsule to enable the oral delivery of biologics provides us with a range of attractive development opportunities. We have prioritized these opportunities based on specific scientific, developmental, regulatory and commercial considerations to optimize our portfolio of targeted product candidates.



RT-XXX refers to the RaniPill capsule containing a biologic in a proprietary Rani formulation
*Each of these indications will require separate trials
**CCHN will have limited opportunity to negotiate for rights within China
***To follow submission and clearance of IND

Core Programs

Our five core programs are oral versions of octreotide, anti-TNF-alpha antibody, PTH-OP, hGH and PTH-Hypo. We selected these molecules because they are well-characterized and have been in clinical use for decades. We believe these drugs are compatible with our technology based on their dosage and dosing schedule. Most importantly, our core products, if approved, would give millions of patients a convenient, injection-free option to effectively manage their diseases.

RT-101: Octreotide for the treatment of NET and acromegaly

Market Overview and Currently Approved Products

Somatostatin is a peptide hormone involved in the regulation of the endocrine system. It acts as an inhibitory hormone and influences hGH release, insulin and glucagon secretion, regional blood flow, gastric acid secretion, intestinal mobility and neuronal activity. Octreotide, developed by Novartis AG and sold under the brand name Sandostatin, is a truncated and modified form of the human somatostatin that is a more potent mimetic with a significantly longer half-life than naturally occurring somatostatin. It is approved by the FDA and EMA for the symptomatic treatment of carcinoid syndrome, a condition involving NETs of the GI tract, as well as acromegaly, a disorder involving the excessive secretion of growth hormone.

The total patient population of these two disorders the United States is estimated to be around 200,000. Approximately 12,000 new cases of NETs and 3,000 new cases of acromegaly are diagnosed annually in the United States. The worldwide market for injectable somatostatin analogs is approximately $6.0 billion annually across both indications.

The current standard of care involves either multiple painful subcutaneous injections of Sandostatin daily, or an extended-release formulation of the drug delivered by a painful, deep intramuscular injection every four weeks. By introducing an oral version of octreotide, we aim to improve patients' quality of life, eliminate the burden and pain of these injections, and enable patients to more conveniently manage their disease.

Our Solution

Our most advanced product candidate, RT-101, is being developed for the treatment of NETs and acromegaly. We tested our oral formulation of octreotide in a Phase 1 clinical trial conducted in Australia, and are further optimizing the formulation in preparation for submitting an IND to initiate subsequent trials. We believe that RT-101 has the potential to expand the treatment paradigm beyond the limited reach of MYCAPSSA as we introduce this oral version of octreotide to patients. We have worldwide commercial rights to RT-101.

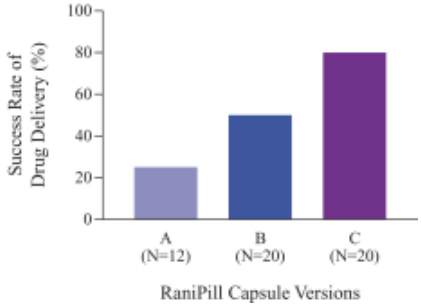
Phase 1 Octreotide Study

We conducted a Phase 1 clinical trial with the RaniPill capsule containing octreotide to evaluate safety and tolerability as primary endpoints and bioavailability as a secondary endpoint.

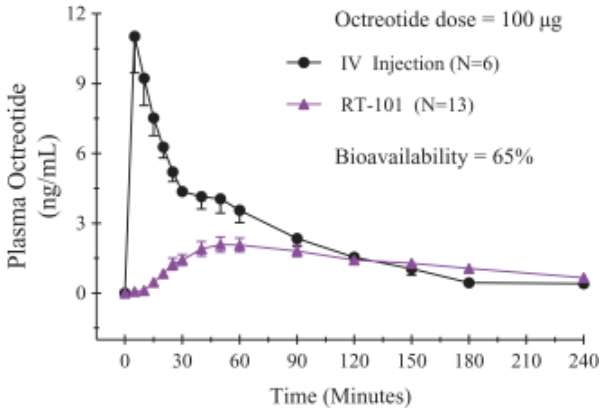
Sixty-two healthy subjects were enrolled in the Phase 1 clinical trial and 58 completed the study, six of whom received Sandostatin by IV injection (the IV group), and the remaining 52 subjects were given the RaniPill capsule containing octreotide in three separate groups (A, B and C). Three different versions of the RaniPill capsule, which were identical in all respects except for the size of the balloon, were tested in the three groups. In Groups A and B, the transit of the RaniPill capsule was tracked by taking several X-ray images at 15 to 20-minute intervals as needed to ascertain the time of deployment, which was followed by serial blood sampling for drug level analysis. In Group C, the primary objective was to determine the success rate of drug delivery. Thus, frequent fluoroscopic imaging was not conducted in Group C and blood samples were collected hourly between two and 10 hours after swallowing the RaniPill capsule. The drug delivery via RaniPill was considered successful when the presence of octreotide was confirmed in one or more of the hourly blood samples. This protocol greatly helped to reduce the subjects' exposure to radiation, as only a single X-ray image was taken between seven to eight hours after the RaniPill ingestion to verify that the device had deployed. The IV group was used as a control to enable determination of absolute bioavailability of orally delivered octreotide.

The results of the trial demonstrated that the RaniPill capsule was well tolerated by all participants, and no subjects had difficulty swallowing the pill. The capsule remnants were passed by all trial subjects by Day 7 and no serious adverse events were observed. The most common adverse events reported were lightheadedness, vasovagal syncope, diarrhea and headache, all of which were related to octreotide and resolved shortly after onset.

Results of this clinical trial also demonstrated that the RaniPill capsule was able to orally deliver levels of octreotide comparable to IV injection. The RaniPill capsule successfully delivered octreotide 25% of the time in Group A, 50% in Group B and 80% in Group C, as shown in the graph below. Based on the successful drug deliveries in Groups A and B, complete PK profiles were obtained from 13 subjects which were sufficient to compute bioavailability and PK parameters. Therefore, subjects in Group C were spared excessive exposure due to frequent X-ray imaging as additional complete PK profiles were deemed unnecessary, and only the success rate of drug delivery by the RaniPill capsule was determined in this group.



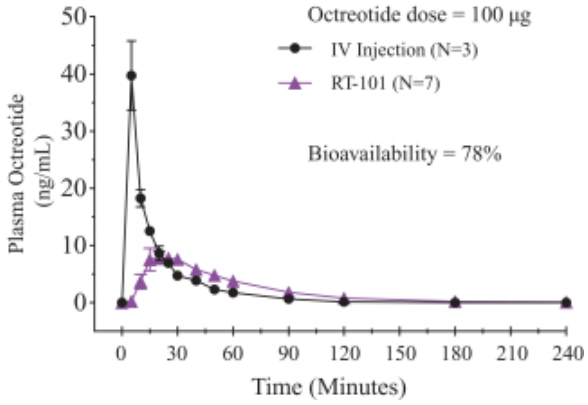
The PK data obtained with RT-101 in the study was within the same narrow range as the IV group, as is illustrated in the graph presented below.



Results of this clinical trial demonstrated that the RaniPill capsule succeeded in the oral delivery of octreotide to healthy volunteers. Bioavailability of RT-101 was determined from cohort A and B to be 65% relative to the IV group in the combined analysis of two of the three configurations test (n=13 patients from whom PK data was obtained). We believe this is the first demonstration of this high of bioavailability of an oral biologic in humans. To date, the best published bioavailability for oral octreotide is approximately 1%. We believe the results of the RT-101 Phase 1 clinical trial indicate that the RaniPill capsule can be used to deliver octreotide orally. In addition, they indicate that the RaniPill capsule may be used for other biologics.

A similar study conducted in awake canines shows that the data from the canine model, shown in the graph below, were consistent with the PK data obtained in humans. Bioavailability of RT-101 in the canine model was 78%, similar to the bioavailability obtained in humans.

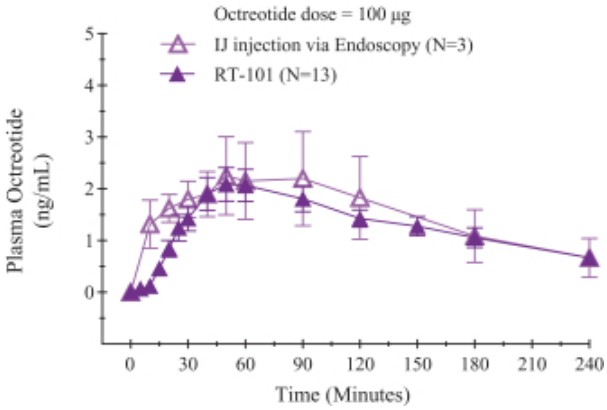
The bioavailability of octreotide in the canine model



Endoscopic delivery of octreotide into the jejunum of healthy volunteers

In addition to the Phase 1 clinical trial with RT-101, we evaluated PK of the commercial formulation of octreotide delivered via a direct injection into the jejunal wall. This study, which involved five healthy volunteers, determined the PK of octreotide injected endoscopically into the intestinal wall, mimicking the intended route of delivery by RaniPill capsule. Blood samples were taken at regular intervals for the four-hour period following drug administration. Results of the clinical trial are presented in the graphic below, showing a highly similar PK profile of octreotide delivered by a direct injection into the intestinal wall to that obtained with RT-101 in the Phase 1 clinical trial. These data also show that change in formulation of octreotide from liquid to solid form did not significantly affect the PK of the drug.

PK comparison of direct intrajejunal injection vs. RT-101



We are currently optimizing the formulation for RT-101, to potentially enable once daily dosing. Once optimized, we will test and verify the formulation in appropriate animal models. Once the formulation is validated in preclinical studies, we plan to initiate clinical trials for the development of RT-101.

RT-105: Anti-TNF-alpha antibody for the treatment of psoriatic arthritis

Market Overview and Currently Approved Products

Anti-TNF-alpha antibodies such as adalimumab are used to treat a range of inflammatory disorders and are among the largest selling class of pharmaceutical drugs globally as measured by revenue. Adalimumab, sold by AbbVie Inc. under the brand name Humira, generated sales of approximately $20.0 billion in 2019, making it the best-selling drug globally in 2019. Adalimumab is approved by the FDA and EMA to treat a range of autoimmune conditions, including psoriasis, rheumatoid arthritis and Crohn's disease. In the United States alone, there are an estimated 1.5 million patients with rheumatoid arthritis, 7 million with psoriasis and 3 million with Crohn's disease or ulcerative colitis. Currently, six Humira biosimilars have been approved by the FDA, but will not enter the U.S. market until 2023, per licensing agreements with the originator.

Patients who use adalimumab administer the drug through a painful subcutaneous injection once every two weeks. Despite the painful injections required to administer it, adalimumab is the best-selling drug globally in 2019. We believe that the development of an orally administered anti-TNF-alpha antibody represents a significant market opportunity and are actively engaged in advancing its delivery using the RaniPill capsule.

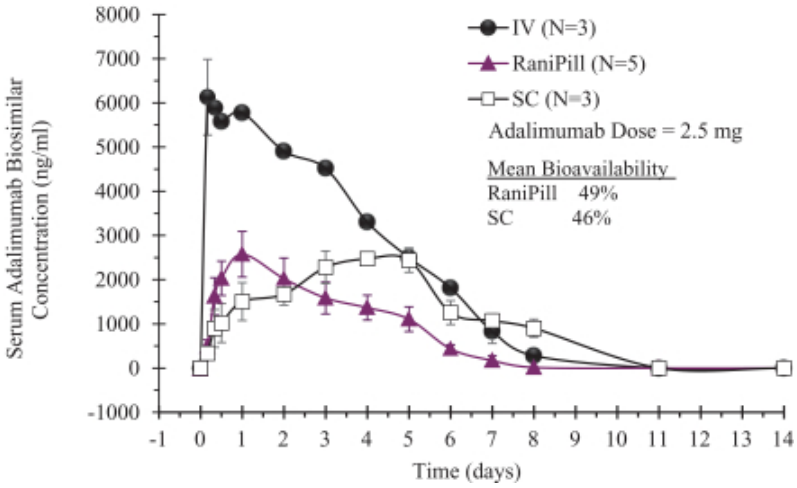
Our Solution: RT-105

We are developing RT-105 for oral administration of an anti-TNF-alpha antibody for the treatment of a host of inflammatory conditions. We have conducted preclinical studies with adalimumab (Humira) and an adalimumab biosimilar in porcine and canine models, respectively, detailed below, which confirm the bioavailability via the RaniPill capsule to be high, similar to a subcutaneous injection. We also conducted a study in healthy volunteers to assess the bioavailability of adalimumab (Humira) delivered endoscopically into the intestinal wall relative to subcutaneous injections. We are currently establishing a supply chain and plan to initiate a Phase 1 clinical trial of RT-105 in healthy volunteers in 2023. We have worldwide commercial rights to RT-105.

Preclinical and Clinical Experience

We evaluated the performance of the RaniPill capsule containing an adalimumab biosimilar in awake canines. Blood samples were collected for 28 days. The PK profile obtained with the RaniPill capsule was comparable to the profiles generated through subcutaneous administration of the adalimumab biosimilar. Bioavailability of adalimumab biosimilar via the RaniPill capsule was 49%, compared to 46% with subcutaneous injection. Data from this single dose study are presented in the following graph. These findings provide a successful demonstration of biologic delivery with high bioavailability enabled by the RaniPill capsule in awake animals, and importantly, the successful delivery of a large antibody.

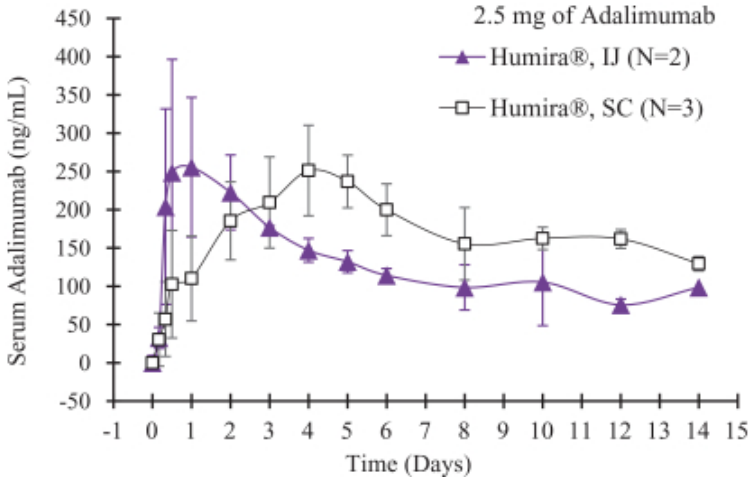
A study of adalimumab delivery comparing the RaniPill capsule to subcutaneous and IV injection



Endoscopic administration of adalimumab into the jejunum of healthy volunteers

To further investigate the absorption of adalimumab through the intestinal wall and assess whether the observations from preclinical studies translate to clinical trials, we conducted an endoscopic study in humans. The study involved 10 healthy volunteers and compared the PK of an approved formulation of adalimumab injected endoscopically into the jejunal intestinal wall, which mimics the RaniPill capsule route of administration, to that of an identical dose injected subcutaneously. Blood samples were obtained at prescribed intervals during 14-day study periods. The results of this open-label, single dose study are presented below.

PK comparisons of Humira delivered via jejunal injection and subcutaneous injection



Similar variability in serum concentrations of the drug were noted between both study groups. As shown in the graph, PK profiles were similar with no notable differences observed in either AUC or C_{max}. The mean AUC was 62.7 ± 11.4 µg/ml*day*kg/mg for the SC group and 45.0 ± 29.0 µg/ml*day*kg/mg for the IJ group. The C_{max} observed for the SC and IJ groups were 260 ± 75 ng/ml and 272 ± 115 ng/ml, respectively. T_{max} was achieved more quickly (0.75 ± 0.35 days) through the IJ route compared to that with SC route (5 ± 1 days) which is consistent with that data obtained in preclinical animal studies. No serious adverse events were noted in this study, and adverse events of headache and flu-like symptoms after IJ administration resolved within 48 hours. Similar drug exposures observed between the IJ and SC groups indicate the viability of delivering a daily oral dose of adalimumab via the RaniPill capsule, making this a potential alternative to painful SC injections.

These preclinical studies and the initial clinical study provide compelling evidence that the RaniPill capsule can maintain serum concentrations of the antibody that are comparable to the approved subcutaneous dosing method.

RT-102: Parathyroid hormone for the treatment of osteoporosis

Market Overview and Currently Approved Products

Osteoporosis is a bone disease where bone mineral density and bone mass decreases, leading to a decrease in bone strength that can increase the risk of fractures. Osteoporosis affects women and men of all races and ethnic groups. Osteoporosis can occur at any age, although the risk for developing the disease increases as you get older. For many women, the disease begins to develop a year or two before menopause. The prevalence of osteoporosis in the United States is approximately 10 million adults.

There are several medications available for the prevention or treatment of osteoporosis, however, PTH is the most-effective and the only bone-building treatment. PTH is a hormone secreted by the parathyroid glands that regulates serum calcium concentration and promotes bone growth. Teriparatide is a PTH analog administered as a once-daily injection to treat osteoporosis, first developed by Eli Lilly and Company and sold under the brand name Forteo. Another analog of PTH, Tymlos, was approved in 2017. Another teriparatide biosimilar injection, by Pfenex, Inc., was approved in 2019. Annual sales revenue of PTH analogs and biosimilars globally in 2019 was approximately $2.0 billion. In addition to the existing market, we believe there is an opportunity to expand the market by advancing RT-102 as a first line therapy for osteoporosis.

All of the existing bone-building drugs for osteoporosis are given as painful daily subcutaneous injections for up to two years. Patients often miss dosing due to the pain and inconvenience associated with injections. An oral version of PTH would have significant clinical utility in the treatment of osteoporosis. We believe an orally administered teriparatide represents a compelling development opportunity and would be life-changing for the millions of patients who depend on regular injections of PTH.

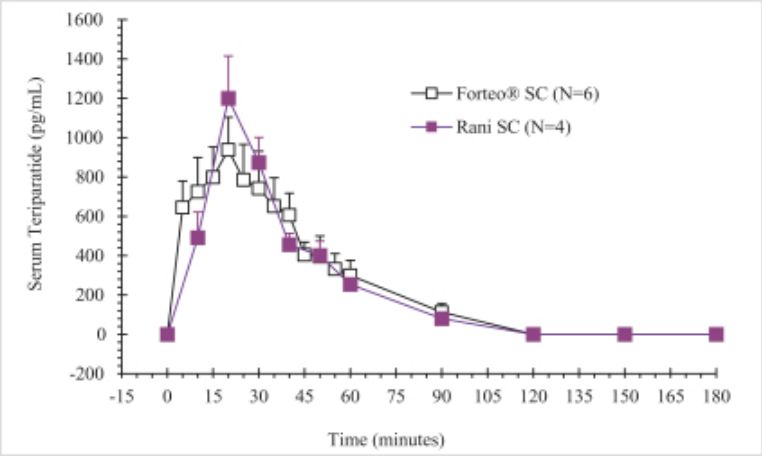
Our Solution: RT-102

We are developing RT-102 as an oral PTH for the treatment of osteoporosis. We believe our current PTH formulation is optimized for use in the RaniPill capsule for the treatment of osteoporosis, and we are currently conducting preclinical studies with RT-102. We plan to initiate a Phase 1 clinical trial with RT-102 in healthy volunteers in 2022. We have worldwide commercial rights to RT-102.

Preclinical Studies

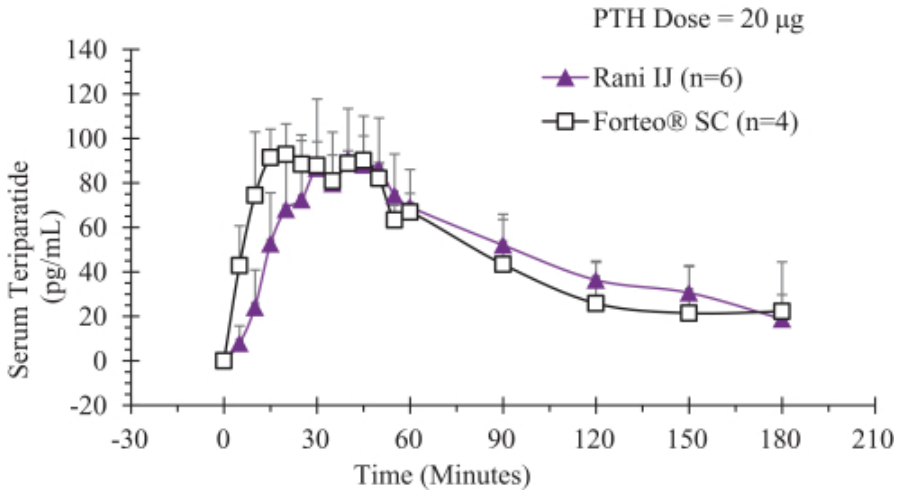
Our initial study compared the PK profile of Rani-formulated teriparatide administered subcutaneously to a control group that received an equivalent dose of commercial formulation of teriparatide, or Forteo, subcutaneously in awake canines. Serial blood samples were collected for a three-hour period following dosing. Results of this study are shown in the following graph. AUC for the Forteo SC group was 45 ± 7 and 42 ± 5 ng/ml*min-1 for the RaniPill SC group. The results of this study provided evidence that the PK profile of teriparatide prepared with our formulation was largely comparable to Forteo.

A comparison of PK profile of subcutaneous teriparatide prepared from our formulation vs. Forteo



We conducted a second preclinical study in anesthetized juvenile swine, which involved an assessment of IJ delivery of our teriparatide formulation as compared to an equivalent dose of a subcutaneous injection of Forteo. PTH was administered directly into the jejunum. The second group received an equivalent dose of Forteo via subcutaneous injection. Blood samples were collected for up to three hours after drug dosing for evaluation of serum teriparatide levels. Cmax 113 ± 8 pg/ml (n=4 Forteo) and 111 ± 27 pg/ml (n=6 IJ); AUC 8555 ± 1939 pg/ml/min (n=4 Forteo) and 8379 ± 2022 pg/ml/min (n=6 IJ) in SC and IJ groups, respectively. Data from this study are presented in the graph below. This study demonstrated that, in the porcine model, both our PTH formulation and Forteo have comparable PK profiles.

A comparison of intrajejunal and subcutaneous delivery of teriparatide in swine



We are currently characterizing the PK profile of RT-102 in awake canine models. In addition, we are conducting preclinical studies with RT-102 in an animal model of osteoporosis. In parallel, we are preparing to conduct a Phase 1 clinical trial with RT-102 in 2022. Completion of these PK and PD studies will inform the design of subsequent clinical trials.

RT-109: HGH for the treatment of growth hormone deficiency

Market Overview and Currently Approved Products

Growth hormone is a peptide that is secreted by the pituitary gland and promotes cell growth, proliferation and regeneration. This anabolic hormone also stimulates insulin-like growth factor 1 which has growth enhancing effects on a broad set of tissues. A recombinant form of hGH is used to treat juvenile growth disorders and adult growth hormone deficiency, which affect between 30,000 and 80,000 people in the United States. Treatment involves painful daily subcutaneous hGH injections often over multiple years.

Genentech, Inc., now part of Roche Holding AG, pioneered the use of recombinant hGH, receiving FDA approval for its commercial sale in 1985. HGH is currently available from a number of sources and is sold by Eli Lilly and Company under the brand name Humatrope and by Genentech, Inc. under the brand name Nutropin. Worldwide sales of hGH were $4.0 to $6.0 billion in 2019 and are projected to reach $11.0 billion by 2028.

Because patients typically need daily injections of hGH over several years, we believe that a once-daily oral version would transform treatment regimens for both pediatric and adult patients suffering from growth hormone deficiency.

Our Solution: RT-109

We are developing RT-109 for oral administration of hGH for the treatment of growth hormone deficiency. To advance our RT-109 program, we are collaborating with CCHN on creating a formulation of recombinant hGH for the RaniPill capsule. We have worldwide commercial rights to RT-109. CCHN will have a limited opportunity to negotiate with us for exclusive rights within China and has a limited right of first refusal with respect to third-party offers for rights within China.

We will initiate preclinical PK studies once our hGH formulation has been optimized.

RT-110: PTH for the treatment of hypoparathyroidism

Market Overview and Currently Approved Products

Hypoparathyroidism is a rare condition of low levels of serum PTH resulting in low calcium levels in the blood. PTH is currently approved for the treatment of hypoparathyroidism by the FDA and EMA and requires lifelong daily injections but has suboptimal efficacy. The prevalence of hypoparathyroidism in the United States is approximately 115,000 people.

Our Solution: RT-110

We are developing RT-110 for oral delivery of PTH for the treatment of hypoparathyroidism. Treatment of hypoparathyroidism requires consistent and sustained plasma levels of PTH. We intend to initiate preclinical PK studies in animals once our long-acting PTH formulation has been optimized. We have worldwide commercial rights to RT-110.

Collaboration Opportunities

We envision complementing our core programs with robust partnering activities to maximize the value inherent in the RaniPill capsule.

RT-106: Basal insulin for the treatment of Type 2 diabetes

Market Overview and Currently Approved Products

The CDC estimates that approximately 34 million Americans have diabetes (about one in 10). Of these, 90% to 95% suffer from Type 2 diabetes, which is characterized by progressive hyperinsulinemia (pre-diabetes or insulin resistance) followed by hyperglycemia as a result of the body's inability to properly respond to insulin and, eventually, produce sufficient insulin. Diabetes has no known cure and can give rise to a host of serious and often life-threatening complications, including cardiovascular disease, neuropathy, retinopathy, cognitive impairment and stroke. This results in estimated economic costs totaling over $300.0 billion in United States annually.

In addition to oral anti-diabetic medications and lifestyle changes, patients with advanced Type 2 diabetes manage their blood sugar by administering painful daily injections of one or both types of insulin: (1) a single injection of a longer-acting insulin called basal insulin, which provides a steady baseline of insulin to offset insulin resistance and reduce hyperinsulinemia; and (2) a rapid-acting insulin called mealtime insulin, which is added in the later stages of the disease and injected several times daily approximately 20 to 30 minutes before the ingestion of a meal. Worldwide sales of basal insulin totaled an estimated $11.0 billion in 2019.

The market for basal insulin would further expand in the currently unserved 'pre-diabetic' market segment if an oral version of basal insulin were available. According to the CDC, 88 million (about one in three) Americans are pre-diabetic, a health condition in which blood glucose levels are higher than normal for long periods as a result of progressing insulin resistance. Clinical research has indicated that early intervention with daily injections of basal insulin could prevent or slow down disease progression in pre-diabetic patients, as steady-state, low levels of insulin would reduce the hyperinsulinemia caused by insulin resistance. Despite this knowledge, pre-diabetic patients currently are not prescribed basal insulin or indeed any injectable as a first-line therapy, and instead advised lifestyle changes and prescribed only oral anti-diabetic medications to manage the disease. However, in a market research study we commissioned, we found that approximately 81% of surveyed endocrinologists would initiate basal insulin therapy for diabetic patients earlier if an oral option were available.

Our Solution: RT-106

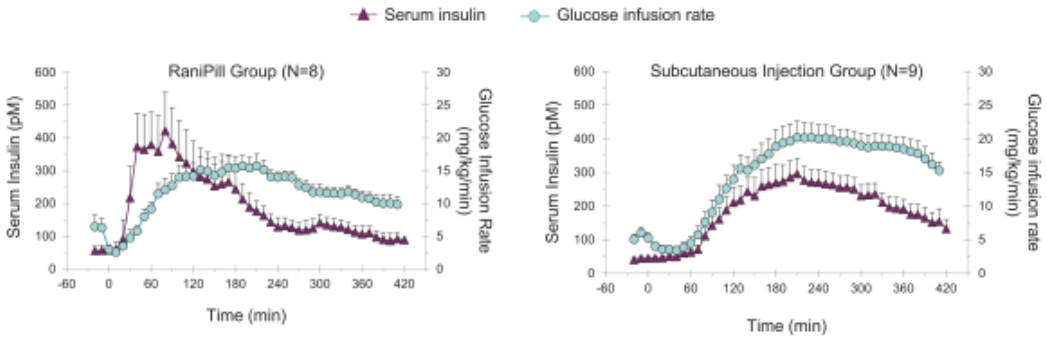
We are developing RT-106 as an oral basal insulin for the treatment of diabetes. We believe the RaniPill capsule would have significant benefit to the millions of people living with Type 2 diabetes, who inject longer-acting basal insulin on a daily basis, through the development of RT-106 as a once-daily oral basal insulin pill. Additionally, our RT-106 program aims to address a new market of unserved pre-diabetic patients who should be using basal insulin but eschew injections until their disease progression necessitates it. In both cases, basal insulin represents a compelling development opportunity for the RaniPill capsule, and our strategy is to pursue partnership opportunities with large pharmaceutical companies to co-develop and commercialize an oral version of basal insulin. Based on a survey we commisioned, we found that 87% of patients using insulin were likely to switch to a once-daily pill if available.

Several long-acting insulin biosimilars are available in the market today, as patents for both leading brands (Lantus and Levemir) have expired. We believe that any of these biosimilars may potentially be reformulated for oral delivery via the RaniPill capsule. In addition, because of the solid form of the drug in the RaniPill capsule, generic or rapid acting insulin can be converted to a long-acting formulation using conventional pharmaceutical approaches. We are currently exploring various options for the development of the oral basal insulin therapy for evaluation in both established Type 2 diabetics as well as in pre- and early diabetic patients. We currently retain all global commercial rights for RT-106, however we intend to partner with a large pharmaceutical company.

Preclinical Studies

As a proof-of-concept to demonstrate the viability of the RaniPill capsule to deliver insulin orally, we evaluated the efficacy of fast-acting human insulin delivered via the RaniPill capsule in a preclinical study, detailed below. In this study, we compared the PK and PD profiles of fast-acting human insulin delivered using the RaniPill capsule against those achieved through the subcutaneous route of administration in anesthetized juvenile swine under a euglycemic glucose clamp. Serum samples were taken at frequent intervals over a seven-hour period to quantify serum insulin levels (PK) with glucose infusion rates adjusted to maintain plasma glucose levels between 60 and 80 mg/dl (euglycemic glucose clamp). The changes in glucose infusion rates reflect the glucose disposing action of insulin (PD). The outcome of these studies is presented below.

Insulin PK/PD data in juvenile swine administered insulin via the RaniPill vs. subcutaneously. Insulin dose = 20 IU.



These data demonstrate that fast-acting insulin was successfully delivered via the RaniPill capsule, comparable to a subcutaneous injection. The AUCs for the RaniPill capsule and SC group were 83± 18 and 81 ± 10 pmol/L.min, respectively, and were not statistically different. Consistent with the results of other studies, T_{max} was shorter for the RaniPill capsule (139 ± 42 minutes) than for subcutaneous administration (227 ± 24 minutes), reflecting the more rapid uptake of drugs delivered by the RaniPill capsule as compared to the subcutaneous route.

RT-103: GLP-1 mimetic for the treatment of Type 2 diabetes

Market Overview and Currently Approved Products

GLP-1 mimetics are used to treat Type 2 diabetes by increasing insulin secretion and suppressing glucagon secretion. Several large pharmaceutical companies market GLP-1 mimetics, and the global combined sales of these were estimated to be $11.0 billion annually in 2019.

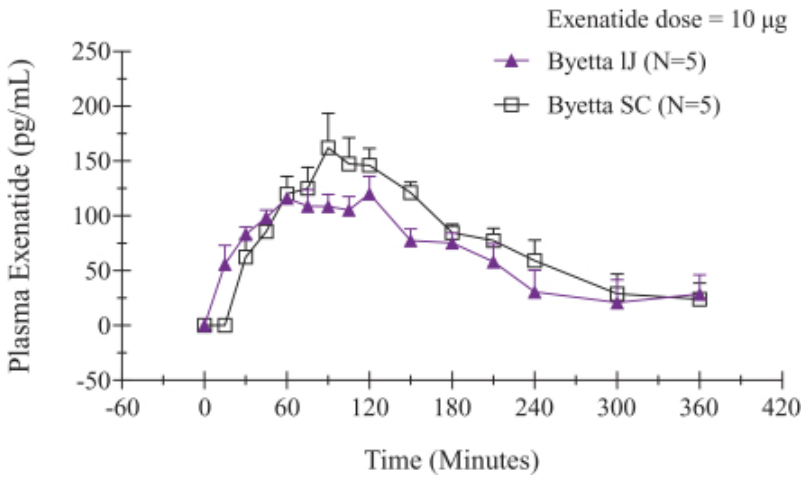
Our Solution: RT-103

We are developing RT-103 for oral administration of a GLP-1 mimetic for the treatment of Type 2 diabetes. Based on a survey we commissioned, we found that 89% of endocrinologists prescribing GLP-1 mimetics were likely to switch their prescription to a once-daily pill if available. We believe RT-103 would be more appealing to patients than the injectable form. While we continue to optimize our formulation to increase the drug half-life, we plan to pursue partnership opportunities with large pharmaceutical companies to co-develop and commercialize RT-103.

Clinical Study

We conducted an endoscopic study with Byetta, a branded form of exenatide, a GLP-1 mimetic, in humans. The study involved five healthy volunteers, who were dosed via a jejunal injection and, after a washout period, a subcutaneous injection. The results are presented below, showing nearly identical PK profiles between subcutaneous and jejunal injection, which mimics the route of administration of the RaniPill capsule. The C_{max} for the IJ group was 139 ± 6 pg/ml and 184 ± 23 pg/ml for the SC group. The AUC for the IJ group was 27 ± 3 ng/ml*min and 23 ± 2 ng/ml*min in the SC group. Jejunal wall delivery of exenatide mimicking delivery by RaniPill capsule yielded a robust PK profile. T_{max} in the two groups was highly similar (IJ: 90 ± 13 min, SC: 96 ± 11 min, p=0.8)

PK comparisons of Byetta delivered via intestinal versus subcutaneous injection



Due to the size, cost and complexity of clinical trials required to address the diabetes market, our strategy is to partner with large pharmaceutical companies to create oral versions of injected diabetes medications, such as basal insulin and GLP-1 mimetics.

Safety Studies with the RaniPill Capsule—Preclinical and Clinical Experience

Seven-day repeat-dose GLP study

Tolerability and reliability of the RaniPill capsule was assessed in a multi-day administration study in canines done under GLP guidelines. The RaniPill capsule containing octreotide was orally administered to eight animals (Test group) and another four animals received an enteric coated capsule containing nonpareil sugar (Control group), for seven consecutive days followed by a seven-day washout period. Blood samples were collected after each RaniPill capsule was administered to confirm successful payload delivery by measuring plasma concentrations of the drug. Plasma samples analyzed from test group animals showed that 77% of the devices administered successfully delivered the drug, with seven of eight animals having at least five successful payload deliveries over the seven-day dosing period. Ten percent of test articles (six capsules) were deployed in the stomach, and one of these capsules delivered the drug through the stomach rather than the intestinal tissue (which was counted as a successful delivery). The RaniPill capsule was well-tolerated by all animals in the study. There were no clinical adverse effects observed in either group throughout the study duration. The GI tract was critically evaluated in all animals and no significant macroscopic or microscopic abnormalities were observed in any animal. These results demonstrated that the RaniPill capsule can be consumed on a daily basis for seven days, deploy within the targeted region of the small intestine without causing any adverse clinical effects and its remnants can be excreted without complications.

A platform study in humans confirms reliable deployment of the RaniPill capsule in both fed and fasted states

In 2018, we conducted a clinical assessment of the RaniPill capsule to evaluate the device when orally administered and to compare device performance in fed and fasted states in 20 healthy volunteers, divided into two groups of 10. In one group, the RaniPill capsule was administered under fasting conditions, while the other group was given the RaniPill capsule 45 minutes after consumption of a standardized meal. X-ray imaging was used to monitor transit of the device as well as its deployment. The evaluation involved the use of capsules that were not equipped with a drug or needle. The goals of this study were tolerability and effects of food on the RaniPill capsule's functionality, as measured by the time required for the RaniPill capsule to reach and deploy in the small intestine.

The deployment time was longer in the fed group than in the fasted group. However, X-ray imaging indicated that this did not impact the functionality of the RaniPill capsule. No volunteers reported difficulty in swallowing the capsule, nor did any study participant experience pain or sense an awareness upon balloon deployment. Volunteers were again X-rayed between 72 and 96 hours after capsule ingestion and all RaniPill capsule remnants had been excreted. In conclusion, the results of this study indicated that the RaniPill capsule was well-tolerated in both groups and presence of food did not affect the functionality of the RaniPill capsule.

Clinical Development and Regulatory Pathway of the RaniPill Capsule

Based on the guidance we have received from CDRH and OCP, we will study the initial safety and tolerability of the RaniPill capsule in an IDE study, in an effort to enable a more standard regulatory pathway for our pipeline of product candidates.

While CBER and CDER may ask for additional testing for a specific biotherapeutic or disease, our initial goal is to evaluate the safety of the RaniPill capsule independent of any drug. In a pre-submission meeting with CDRH and OCP and representatives from CDER, we reached agreement on the initial requirements for establishing safety and tolerability of the RaniPill capsule for further clinical evaluation. Preclinical studies and clinical trials will be conducted with the RaniPill capsule containing an inert tracer in place of a drug, to determine the reliability of delivery and the initial safety of the platform. In support of the IDE study, we will first conduct a repeat-dose GLP study in canines to assess the safety and tolerability of the RaniPill capsule. We would then conduct the IDE study to evaluate the safety and tolerability of the RaniPill capsule in an eight-week healthy volunteer study (n=40) with daily administration of the RaniPill capsule. The study will also evaluate the effect of food on the delivery performance of the RaniPill capsule.

After completion of the IDE study, we plan to create a Master File for the RaniPill capsule with CDRH, which would include the following:

- Facilities and manufacturing procedures and controls;
- Verification and validation reports;
- Biocompatibility test data;
- GLP canine study data; and
- IDE clinical study data.

The information in the RaniPill Master File will be applicable to any biologic and would be incorporated by reference in subsequent applications to CDER or CBER for our future product candidates.

Our current pipeline consists of well-characterized biologics that have been in clinical use for several years. We believe that we may be able to leverage the FDA's prior conclusions of safety, purity and potency for certain approved biologic products in our own BLA. The degree to which we may be able to reduce the burden on our own development will depend on whether the API is the same as the original approved product, particularly for products originally approved as NDAs and now deemed to be biologics. We intend to have this clarified on a product-by-product basis in pre-IND meetings with the FDA. We intend to have the first of these pre-IND meetings in the second half of 2021.

Our Team

We are led by an experienced management team with substantial scientific, formulation and drug development expertise in a number of therapeutic areas including immunology, gastroenterology, cardiology, metabolic diseases and oncology. The RaniPill capsule development and manufacturing is led by a highly experienced team with deep expertise in engineering, material science, anatomy, physiology, manufacturing and automation. Our management team members have held successful and diverse roles leading research, clinical development, product development, strategy, corporate development and operational functions at companies such as GlaxoSmithKline plc., Gilead Sciences, Inc., VIVUS Inc., Edwards Lifesciences Corp., Danaher Corp., Affymetrix, Inc. and Elan Corporation plc. Members of our leadership team have been involved in the discovery, development and commercialization of multiple marketed products across various therapeutic areas, including Tykerb, Romozin, Avodart, Zyban, Ranexa and Lexiscan. We were founded by, Mir Imran, our Executive Chairman and former President and Chief Executive Officer. With background in medicine and engineering, Mir Imran began his career as a healthcare entrepreneur in the late 1970s and has founded more than 20 life sciences companies since, more than half of which have been acquired. Mir Imran's passion is creating novel technologies that have the potential to positively impact the lives of millions of patients, and he has become one of the leading inventors and entrepreneurs in the field. Mir Imran is perhaps most well-known for his pioneering contributions to the first FDA-approved automatic implantable cardioverter defibrillator. Our Chief Scientific Officer, Mir Hashim, a veteran of the pharma industry, has a Ph.D. in medicine and pharmacology and led research and development teams at GSK from 1990-2008. Our leadership is complemented by a team of biologists, engineers, manufacturing and automation experts, many with post-graduate degrees.

Evaluation Agreements

Novartis Evaluation Agreement

In May 2015, we entered into an Evaluation and First Rights Agreement, or the Novartis Agreement, with Novartis Pharmaceuticals Corporation, or Novartis, in which we agreed to perform certain specified research for Novartis to evaluate two specified Novartis compounds with our oral drug delivery technology. In August 2019 and July 2020, we amended the agreement to focus on one compound. Under the agreement, we granted Novartis an exclusive, fully paid-up license to the intellectual property it generates for the sole purpose of delivering that compound via any delivery route other than through use of any microtablet. Novartis will own intellectual property generated related to that compound and we will own all other intellectual property regardless of inventorship. We are currently in the process of completing our own internal testing of higher capacity payloads in the RaniPill capsule which will be shared with Novartis pursuant to the July 2020 amendment. We expect to provide this data by the end of 2021. Afterwards, Novartis will have a right of first negotiation to obtain rights to research, develop, manufacture and commercialize a specified class of biologics formulated with our delivery technology (Novartis Field) for a period of four months. If we and Novartis do not reach an agreement in this period, for a period of another 6 months, Novartis will have the opportunity to make a topping bid on any third-party transaction proposal in the Novartis Field. Unless earlier terminated, the Novartis Agreement will expire upon the expiration of the last-to-expire time periods for which Novartis has a right of first negotiation or a right to make a topping bid. Prior to these periods, Novartis may terminate the Novartis Agreement at any time for convenience, and we and Novartis may terminate the Novartis Agreement for the other's party's uncured breach.

Novartis has paid us an aggregate of $7.0 million and made an equity investment of approximately $5.0 million in our Series C preferred unit financing. We do not expect any future payments under the Novartis Agreement unless we and Novartis negotiate a new agreement constructed around a higher-capacity payload system.

Takeda Evaluation Agreement

In November 2017, we entered into an Evaluation and First Rights Agreement, or the Takeda Agreement, with Shire International GmbH, which was subsequently acquired by Takeda Pharmaceutical Company Limited, or Takeda. Pursuant to the Takeda Agreement, which was amended in May 2019 and April 2020, we agreed to perform certain specified research for Takeda to evaluate our oral drug delivery technology with Takeda's recombinant Factor VIII therapeutic. We own all intellectual property generated under the Takeda Agreement and we granted Takeda a non-exclusive, fully paid-up license to exploit pharmaceutical products delivered via any delivery route other than through use of any microtablet. We also grant Takeda a right of first negotiation to obtain a worldwide, exclusive license under our intellectual property related to RT-108, which right Takeda may exercise at any time prior to 30 days after the date that we deliver Takeda a final report summarizing the results of our research activities. If we and Takeda do not reach an agreement in this period, for a period of another 6 months, Takeda will have the opportunity to make a topping bid on any third-party transaction proposal for the use of our delivery technology with a recombinant or plasma-derived Factor VIII therapeutic. Prior to these periods, Takeda may terminate for convenience upon 30 days' notice, and we and Takeda may terminate for the other party's material uncured breach. In addition, if we do not enter into an agreement with Takeda and we subsequently enter into an agreement with a third party for the use of our delivery technology with a recombinant or plasma-derived Factor VIII therapeutic, we will pay Takeda a portion of the consideration we receive from that third party. On May 21, 2021, Takeda gave written notice of their intention to terminate the agreement for convenience. We do not expect any future payments under the Takeda Agreement.

Changchun High & New Technology Industries Evaluation Agreement

In August 2017, we entered into an Evaluation and Right of First Refusal Agreement, or the CCHN Agreement, with CCHN in which we agreed to perform and share data from preclinical testing of RT-109. We will provide CCHN with reports and data resulting from our performance of our preclinical testing and CCHN will have a non-exclusive right to use this information in connection with specified activities. CCHN will own intellectual property generated under the CCHN Agreement that comprises of or relates to certain materials and assays provided by CCHN and we will own all other intellectual property generated under the CCHN Agreement. Following the completion of the evaluation program, we and CCHN will negotiate, for a period of 90 days, an agreement to provide CCHN with commercial rights for RT-109 in China. Additionally, we granted CCHN a right of first refusal with respect to commercial rights for RT-109 in China for a period of two years following the completion of our preclinical testing, pursuant to which CCHN will have a period of 90 days following our receipt of a third party proposal for commercial rights for RT-109 in China to make a competing offer for such rights. The CCHN Agreement will expire upon the expiration of CCHN's right of first refusal, or up to ninety days longer if CCHN makes a bid under its right of first refusal. Prior to these periods, CCHN may terminate for convenience upon 30 days' notice, and we and CCHN may terminate for the other party's material uncured breach.

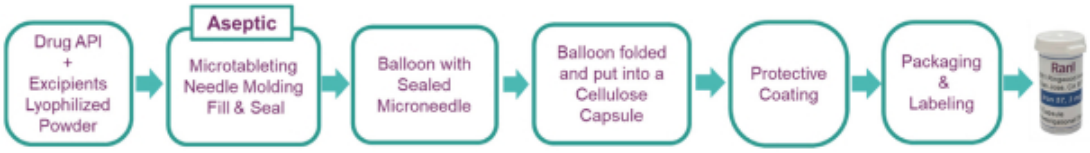
There are no payment obligations under the CCHN Agreement.

Manufacturing and Quality Assurance

We currently manufacture and assemble RaniPill capsules at our facility in San Jose, California. We also inspect, package and ship finished products to support our clinical trials from this facility. We are intentionally pursuing a vertically integrated manufacturing strategy, which we believe offers significant advantages, including rapid product iteration, control over our product quality and the ability to rapidly scale our manufacturing capacity. This capability allows us to develop future generations of products while maintaining the confidentiality of our intellectual property.

Each RaniPill capsule is assembled through a process which involves a series of integrated, well-developed and highly reproducible steps, as shown below, that have been optimized to consistently produce capsules of high reliability. A lyophilized drug substance, combined with excipients specific to the drug, is compressed into a solid microtablet form. The microtablet is sealed inside the microneedle and is then packaged in a tiny vial under aseptic conditions. The vial containing the microneedle is incorporated in the RaniPill capsule, which is given a protective coating. Each of these steps in the manufacturing process has been subjected to rigorous testing and process qualification procedures to ensure manufacturing consistency.

The RaniPill capsule manufacturing process



We rely on non-exclusive, third-party relationships with several cGMP manufacturers for the drug API. We maintain in-house capabilities related to the aseptic manufacturing of drug microtablets, filled inside sterile microneedles, following FDA cGMP guidelines. Our personnel have significant technical, manufacturing, analytical, quality, regulatory and project management experience to oversee our third-party manufacturers and to manage in-house manufacturing and quality operations in compliance with regulatory requirements.

The current semi-automated manufacturing process will be sufficient to support our currently planned clinical trials. In parallel, we are in the process of automating the entire manufacturing process, which we anticipate being complete by the time the RaniPill capsule is commercialized.

Commercialization Plan

Currently we do not have any approved products. We intend to either develop the commercialization infrastructure as our product candidates are approved, or partner with pharma companies for commercialization. The key markets for our products, once approved, are the United States, Europe and Asia.

Coverage and Reimbursement

Sales of our products in the United States will depend, in part, on the extent to which the costs of the products are covered by third-party payors, such as government health programs, commercial insurance and managed health care organizations. The process for determining whether a third-party payor will provide coverage for a pharmaceutical or biological product is typically separate from the process for setting the price of such a product or for establishing the reimbursement rate that the payor will pay for the product once coverage is approved. As a result, a third-party payor's decision to provide coverage for a pharmaceutical or biological product does not imply that the reimbursement rate will be adequate.

Further, no uniform policy for coverage and reimbursement exists in the United States, and coverage and reimbursement can differ significantly from payor to payor. Third-party payors often rely upon Medicare coverage policy and payment limitations in setting their own reimbursement rates, but also have their own methods and approval process apart from Medicare determinations. As such, one third-party payor's decision to cover a particular medical product or service does not ensure that other payors will also provide coverage for the medical product or service or will provide coverage at an adequate reimbursement rate.

Competition

Our industry is highly competitive and subject to rapid and significant technological changes as researchers learn more about diseases and develop new technologies and treatments. Key competitive factors affecting the commercial success of product candidates we may develop are likely to be efficacy, safety and tolerability profile, reliability, convenience of administration, price and reimbursement.

Broadly speaking, we will face competition from current and future (generic or biosimilars) manufacturers of the branded injectable versions of our pipeline drugs, such as AbbVie Inc., Eli Lilly and Company, Novartis AG, Roche Holdings AG, etc. We believe that oral biologics have the potential to take significant market share from injectable therapies and expand existing markets by reaching new patient populations that are averse to taking injections.

We are aware of a few companies that are pursuing oral biologics through either device-based or chemistry-based technologies. Early stage device-based technologies such as the SOMA and LUMI from the Novo Nordisk-MIT collaboration were reported to be in preclinical stages several years ago. Chemistry-based oral delivery companies include Oramed Pharmaceuticals, Inc., Entera Bio Ltd., Applied Molecular Transport Inc., Protagonist Therapeutics, Inc., and two with recently approved oral peptide products – Chiasma, Inc. (*Mycappssa*) and Novo Nordisk A/S (*Rybelsus*). Chemistry-based approaches have limited applications because they work only for small peptides and, even then, with less than 1% bioavailability. In contrast, our versatile technology is designed to deliver biologics, from small peptides to large proteins, irrespective of molecular mass and with bioavailability similar to that of injections.

Intellectual Property

Our commercial success depends in part on our ability to obtain and maintain protection for our current and future product candidates and the technologies used to develop and manufacture them. Our policy is to seek to protect our proprietary position through patents, trademarks, trade secrets, domain names, intellectual property assignment agreements, confidentiality agreements and facility and network security measures. Some of our intellectual property is in-licensed. We believe that our intellectual property portfolio provides good coverage for our current and pipeline product candidates.

Patents

We have built a patent portfolio globally around several aspects of the current and future generations of our technology. We file new patent applications as we conduct research and development, initiate new programs and monitor the activities of others. Generally, issued patents are granted a term of 20 years from the earliest claimed non-provisional filing date if all fees continue to be paid. In some cases, the term of a U.S. patent may be shortened by terminal disclaimer, such that its term is reduced to end with that of an earlier-expiring patent. In some cases, U.S. patent term can be adjusted to recapture a portion of delay by the U.S. Patent & Trademark Office (USPTO) in examining the patent application (patent term adjustment) or extended to account for term effectively lost as a result of the FDA regulatory review period (patent term extension), or both.

Foundational Patent Family

Our foundational patent family has a priority date in 2009, with patent term expected to extend into at least 2030 if all fees are paid. This patent family claims many device aspects of the RaniPill capsule, and the delivery of a wide variety of biologics using the RaniPill capsule. Patents and patent applications in this core family number more than 200. As of June 1, 2021, this patent family included 64 patents issued in the United States and 94 patents issued in other jurisdictions (in Australia, Austria, Belgium, Canada, China, Denmark, Finland, France, Germany, India, Ireland, Italy, Japan, Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland, Turkey, and the United Kingdom), with applications pending in the United States, Australia, Canada, China, Europe, India, and Japan.

Device aspects of the RaniPill capsule and methods of using the RaniPill capsule are claimed in U.S. Patents 8,721,620, 8,759,284, and 8,562,589, and in PCT/US2010/062070 and PCT/US2010/062073, and in their respective progeny. Devices containing specific biologics and methods of delivering them are claimed in U.S. Patents 8,764,733, 8,809,269, 8,809,271, 8,846,040, 8,969,293, 8,980,822, 9,259,386, 9,283,179, 9,284,367, 9,402,806, 9,402,807, 9,415,004, 9,629,799, 9,861,683, and in PCT/US2012/044441 and PCT/US2014/024385, and in their respective progeny.

Microtablet Patent Family

Our microtablet patent family includes claims covering the microtablets delivered by the RaniPill capsule. This patent family has a priority date in 2014, includes several dozen patents and patent applications and is expected to have patent terms extending into at least 2035 if all fees are paid. As of June 1, 2021, this patent family included 7 patents issued in the United States and 1 patent issued in Australia, with applications pending in the United States, Australia, Canada, China, Europe, India, and Japan.

Microtablets having various characteristics and containing various biologics are claimed in U.S. Patents 10,098,931, 10,058,595, 10,039,810, and 10,220,076, and in PCT/US2016/030480, PCT/US2016/031548, and PCT/US2016/050832, and in their respective progeny.

Additional Patent Families

We own numerous additional patents and patent applications outside of the foundational and microtablet patent families, with claims to additional biologics, pharmacologic properties of various biologics and various next generation devices, with applications pending in the United States, Australia, Brazil, Canada, China, Europe, Hong Kong, India, Japan, Mexico, and South Korea. Patents in these families are expected to expire between the late 2030s and early 2040s if all fees are paid.

Trademarks

We have several trademark registrations and applications in 10 jurisdictions.

Trade Secrets and Other Proprietary Information

We rely in part on keeping our trade secrets and other proprietary information confidential. We protect proprietary information by executing confidentiality agreements and intellectual property assignment agreements prior to commencement of our relationship with our employees, consultants, scientific advisors, sponsored researchers, contractors and other collaborators. Confidentiality agreements limit use and disclosure of our confidential information during and after the relationship. Intellectual property assignment agreements require that all inventions resulting from work performed for us or relating to our business and conceived during the period of the relationship are our exclusive property. We take other appropriate precautions, such as physical and technological security measures, to guard against misappropriation of our proprietary information by third parties.

For information regarding the risks related to our intellectual property, see the section titled “Risk Factors— Risks Related to Our Intellectual Property.”

Government Regulation

The FDA and other regulatory authorities at federal, state and local levels, as well as in foreign 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 those we are developing.

U.S. Biologics Regulation

In the United States, the FDA regulates biological products under the FDCA and the PHSA and their implementing regulations. Biological products are also subject to other federal, state, local and foreign statutes and regulations. We, along with third-party contractors, will be required to navigate the various preclinical, clinical and commercial approval requirements of the governing regulatory authorities of the countries in which we wish to conduct studies or seek approval or licensure of our product candidates. Failure to comply with the applicable U.S. requirements at any time during the product development process, approval process or after approval, may result in delays to the conduct of a study, regulatory review and approval or subject an applicant to administrative or judicial sanctions. These sanctions could include, among other actions, the FDA's refusal to approve pending applications, withdrawal of an approval, license suspension or revocation, refusal to allow an applicant to proceed with clinical trials, imposition of a clinical hold, issuance of untitled or warning letters, product recalls or withdrawals from the market, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement of profits, or civil or criminal investigations or penalties.

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 current Good Laboratory Practices 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 IRB or ethics committee at each clinical site before the trial is commenced;
- performance of adequate and well-controlled human clinical trials in accordance with applicable IND regulations, Good Clinical Practices, and other clinical trial-related regulations 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 BLA after completion of all pivotal clinical trials, which includes not only the results of the clinical trials, but also, detailed information on the chemistry, manufacture and quality controls for the product candidate and proposed labeling;
- satisfactory completion of an FDA Advisory Committee review, if applicable;
- 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 pre-approval inspection of the manufacturing facility or facilities at which the proposed product is produced to assess compliance with cGMPs 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 cGCPs; and
- FDA review and approval of a BLA to permit commercial marketing of the product for particular indications for use in the United States.

Preclinical and Clinical Development

Prior to beginning the first clinical trial with a product candidate, a sponsor must submit an IND to the FDA. An IND is a request for authorization from the FDA to administer an investigational new drug product to

humans. The central focus of an IND submission is on the general investigational plan and the protocol or protocols for preclinical studies and clinical trials. The IND also includes results of animal and *in vitro* studies assessing the toxicology, pharmacokinetics, pharmacology and pharmacodynamic characteristics of the product, chemistry, manufacturing and controls information, and any available human data or literature to support the use of the investigational product. An IND must become effective before human clinical trials may begin. The IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA, within the 30-day period, raises safety concerns or questions about the proposed clinical trial. In such a case, the IND may be placed on clinical hold and the IND sponsor and the FDA must resolve any outstanding concerns or questions before the clinical trial can begin. The FDA may also impose clinical holds on a product candidate at any time before or during clinical trials due to safety concerns, non-compliance, or other issues affecting the integrity of the trial. Submission of an IND therefore may or may not result in FDA authorization to begin a clinical trial and, once begun, issues may arise that could cause the trial to be suspended or terminated.

Clinical trials involve the administration of the investigational product to human subjects under the supervision of qualified investigators in accordance with GCPs, which include the requirement that all research subjects provide their informed consent for their participation in any clinical trial. Clinical trials are conducted under protocols detailing, among other things, the objectives of the study, the parameters to be used in monitoring safety, and the effectiveness criteria to be evaluated. A separate submission to the existing IND must be made for each successive clinical trial conducted during product development and for any subsequent protocol amendments. Furthermore, an independent IRB or ethics committee for each site proposing to conduct the clinical trial must review and approve the plan for any clinical trial and its informed consent form before the clinical trial begins at that site, and must monitor the study until completed. An IRB is charged with protecting the welfare and rights of trial participants and considers such items as whether the risks to individuals participating in the clinical trials are minimized and are reasonable in relation to anticipated benefits. Regulatory authorities, the IRB or the sponsor may suspend a clinical trial at any time on various grounds, including a finding that the subjects are being exposed to an unacceptable health risk or that the trial is unlikely to meet its stated objectives. Some studies also include oversight by an independent group of qualified experts organized by the clinical trial sponsor, known as a data safety monitoring board, which provides authorization for whether or not a study may move forward at designated check points based on access to certain data from the study and may halt the clinical trial if it determines that there is an unacceptable safety risk for subjects or other grounds, such as no demonstration of efficacy. There are also requirements governing the reporting of ongoing preclinical studies and clinical trials and clinical trial results to public registries. Sponsors of certain clinical trials of FDA-regulated products, including biologics, are required to register and disclose certain clinical trial information, which is publicly available at www.clinicaltrials.gov.

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

- Phase 1. The investigational product is typically introduced into healthy human subjects or 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, to identify possible side effects associated with increasing doses, and, if possible, to gain early evidence on effectiveness.

- Phase 2. The investigational product is typically 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.

- Phase 3. The investigational product is typically 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 physician approval. Generally, two adequate and well-controlled Phase 3 clinical trials are required by the FDA for approval of a BLA.

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. These trials are used to gain additional experience from the treatment of patients in the intended therapeutic indication and further document clinical benefit in the case of drugs approved under Accelerated Approval regulations. Failure to exhibit due diligence with regard to conducting Phase 4 clinical trials could result in withdrawal of approval for products. 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. 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.

During all phases of clinical development, regulatory agencies require extensive monitoring and auditing of all clinical activities, clinical data, and clinical study investigators. Progress reports detailing the results of the clinical trials, among other information, must be submitted at least annually to the FDA, and written IND safety reports must be submitted to the FDA and the investigators for serious and unexpected suspected adverse events, findings from other studies suggesting a significant risk to humans exposed to the biologic, findings from animal or in vitro testing that suggest a significant risk for human subjects, and any clinically important increase in the rate of a serious suspected adverse reaction over that listed in the protocol or investigator brochure.

The FDA, the sponsor or the IRB or may suspend a clinical study at any time on various grounds, including a finding that the research patients or patients are being exposed to an unacceptable health risk. Similarly, an IRB can suspend or terminate approval of a clinical study at its institution if the clinical study is not being conducted in accordance with the IRB's requirements or if the biological product candidate has been associated with unexpected serious harm to patients. Additionally, if the trial is being overseen by a data safety monitoring board or committee, this group may recommend halting the clinical trial if it determines that there is an unacceptable safety risk for subjects or on other grounds, such as interim data suggesting a lack of efficacy.

Under the Pediatric Research Equity Act, or PREA, a BLA or supplement to a BLA must contain data to assess the safety and efficacy of the product for the claimed indications in all relevant pediatric subpopulations and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The FDCA requires that a sponsor who is planning to submit a marketing application for a product that includes a new active ingredient, new indication, new dosage form, new dosing regimen or new route of administration submit an initial Pediatric Study Plan, or PSP, within sixty days of an end-of-Phase 2 meeting or as may be agreed between the sponsor and FDA. The initial PSP must include an outline of the pediatric study or studies that the sponsor plans to conduct, including study objectives and design, age groups, relevant endpoints and statistical approach, or a justification for not including such detailed information, and any request for a deferral of pediatric assessments or a full or partial waiver of the requirement to provide data from pediatric studies along with supporting information. The FDA and the sponsor must reach agreement on the PSP. A sponsor can submit amendments to an agreed-upon initial PSP at any time if changes to the pediatric plan need to be considered based on data collected from nonclinical studies, early phase clinical trials, and/or other clinical development programs. The FDA may, on its own initiative or at the request of the applicant, grant deferrals for submission of data or full or partial waivers.

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 studies and clinical trials, including negative or ambiguous results as well as positive findings, together with detailed information relating to the product's chemistry, manufacturing, controls, and proposed labeling, among other things. Under PDUFA, as amended, each BLA requires payment of a substantial application user fee to the FDA, unless a waiver or exemption applies, which is adjusted on an annual basis. The FDA has 60 days from the applicant's submission of a BLA to either issue a refusal to file letter or accept the BLA for filing, indicating that it is sufficiently complete to permit substantive review. The FDA has substantial discretion in the approval process and may refuse to accept any application or decide that the data is insufficient for approval, and may require additional preclinical, clinical or other studies before it accepts the filing.

Once a BLA has been submitted, the FDA's goal is to review standard applications within 10 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. 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. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions. Before approving a BLA, the FDA will typically inspect the facility or facilities where the product is manufactured to determine whether the facilities comply with cGMPs. 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 GCPs. 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 and/or its drug substance 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, which may include the potential requirement for additional clinical studies and/or other significant and time-consuming requirements related to preclinical studies and manufacturing. If a Complete Response Letter is issued, the applicant may either resubmit the BLA, addressing all of the deficiencies identified in the letter, withdraw the application or request a hearing. Even if such data and information is submitted, 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. Further, the FDA may require that certain contraindications, warnings or precautions be included in the product labeling or may condition the approval of the BLA on other changes to the proposed labeling, development of adequate controls and specifications, or a commitment to conduct post-market testing or clinical trials and surveillance to monitor the effects of approved products. The FDA may also place other conditions on approvals, including the requirement of a 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.

Orphan Designation and Exclusivity

Under the Orphan Drug Act, the FDA may grant orphan designation to a drug or biological product intended to treat a rare disease or condition, which is generally a disease or condition that affects fewer than 200,000 individuals in the United States, or 200,000 or more individuals in the United States and for which there is no reasonable expectation that the cost of developing and making the product available in the United States for this type of disease or condition will be recovered from sales of the product.

Orphan drug designation must be requested before submitting an NDA or BLA. After the FDA grants orphan drug designation, the identity of the therapeutic agent and its potential orphan use are disclosed publicly by the FDA. Orphan drug designation does not convey any advantage in or shorten the duration of the regulatory review and approval process.

If a product that has orphan drug designation subsequently receives the first FDA approval for the disease or condition for which it has such designation, the product is entitled to orphan drug exclusivity, which means that the FDA may not approve any other applications to market the same drug or biologic for the same indication for seven years from the date of such approval, except in limited circumstances, such as a showing of clinical superiority to the product with orphan exclusivity on the basis of greater effectiveness or safety or providing a major contribution to patient care or in instances of drug supply issues. Competitors, however, may receive approval of either a different product for the same indication or the same product for a different indication but that could be used off-label in the orphan indication. Orphan drug exclusivity also could block the approval of one of our products for seven years if a competitor obtains approval before we do for the same product, as defined by the FDA, for the same indication we are seeking approval, or if our product is determined to be contained within the scope of the competitor's product for the same indication or disease. If we pursue marketing approval for an indication broader than the orphan drug designation we have received, we may not be entitled to orphan drug exclusivity. Orphan drug status in the European Union has similar, but not identical, requirements and benefits.

Expedited Development and Review Programs

The FDA has a number of programs intended to expedite the development or review of products that meet certain criteria. For example, new drugs are eligible for fast track designation if they are intended to treat a serious or life-threatening disease or condition and demonstrate the potential to address unmet medical needs for the disease or condition. Fast track designation applies to the combination of the product and the specific indication for which it is being studied. The sponsor of a fast track product has opportunities for more frequent interactions with the review team during product development, and the FDA may consider for review sections of the BLA on a rolling basis before the complete application is submitted, if the sponsor provides a schedule for the submission of the sections of the BLA, the FDA agrees to accept sections of the BLA and determines that the schedule is acceptable, and the sponsor pays any required user fees upon submission of the first section of the BLA.

Any product submitted to the FDA for approval, including a product with a fast track designation, may also be eligible for other types of FDA programs intended to expedite development and review, such as priority review and accelerated approval. A product is eligible for priority review if it has the potential to provide safe and effective therapy where no satisfactory alternative therapy exists or a significant improvement in the

treatment, diagnosis or prevention of a disease compared to marketed products. The FDA will attempt to direct additional resources to the evaluation of a BLA designated for priority review in an effort to facilitate the review. The FDA endeavors to review applications with priority review designations within six months of the filing date as compared to ten months for review of standard review designation under its current PDUFA review goals.

In addition, a product may be eligible for accelerated approval. Drug or biologic products intended to treat serious or life threatening diseases or conditions may be eligible for accelerated approval upon a determination that the product has an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit, or on a clinical endpoint that can be measured earlier than irreversible morbidity or mortality, that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit, taking into account the severity, rarity, or prevalence of the condition and the availability or lack of alternative treatments. As a condition of approval, the FDA may require that a sponsor of a product receiving accelerated approval perform adequate and well-controlled post-marketing clinical trials. In addition, the FDA currently requires pre-approval of promotional materials as a condition for accelerated approval, which could adversely impact the timing of the commercial launch of the product.

The Food and Drug Administration Safety and Innovation Act established a category of drugs and biologics referred to as “breakthrough therapies” that may be eligible to receive breakthrough therapy designation. A sponsor may seek FDA designation of a product candidate as a “breakthrough therapy” if the product is intended, alone or in combination with one or more other products, to treat a serious or life-threatening disease or condition and preliminary clinical evidence indicates that the product may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. The designation includes all of the fast track program features, as well as more intensive FDA interaction and guidance. The breakthrough therapy designation is a distinct status from both accelerated approval and priority review, which can also be granted to the same drug if relevant criteria are met. If a product is designated as breakthrough therapy, the FDA will work to expedite the development and review of such product.

Fast track designation, breakthrough therapy designation, priority review, and accelerated approval do not change the standards for approval but may expedite the development or approval process. Even if a product qualifies for one or more of these programs, the FDA may later decide that the product no longer meets the conditions for qualification or decide that the time period for FDA review or approval will not be shortened. We may explore some of these opportunities for our product candidates as appropriate.

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 cGMPs, quality controls, 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 the FDA assesses an annual program fee for each product identified in an approved BLA. The FDA regulations require that products be manufactured in specific approved facilities and in accordance with cGMPs. 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 cGMPs, which impose certain organizational, procedural and documentation requirements with respect to manufacturing and quality assurance activities. 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 cGMPs and impose reporting requirements upon us and any third-party manufacturers that we may decide to use. BLA holders using contract manufacturers, laboratories or packagers are responsible for the selection and monitoring of qualified firms, and, in certain circumstances, qualified

suppliers to these firms. These firms and, where applicable, their suppliers are subject to inspections by the FDA at any time, and the discovery of violative conditions, including failure to conform to cGMP, could result in enforcement actions that interrupt the operation of any such facilities or the ability to distribute products manufactured, processed or tested by them. Accordingly, manufacturers must continue to expend time, money and effort in the area of production and quality control to maintain compliance with cGMPs 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 trials 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 trials;
- 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;
- consent decrees, corporate integrity agreements, debarment or exclusion from federal healthcare programs;
- mandated modification of promotional materials and labeling and the issuance of corrective information;
- the issuance of safety alerts, Dear Healthcare Provider letters, press releases and other communications containing warnings or other safety information about the product; 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. However, companies may share truthful and not misleading information that is otherwise consistent with a product's FDA approved labeling. 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, potential civil and criminal penalties, government investigation, and/or debarment or exclusion from participation in federal health care programs. 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 practice of medicine by physicians or their choice of treatments. The FDA does, however, regulate manufacturer's communications on the subject of off-label use of their products.

Biosimilars and Reference Product Exclusivity

The ACA includes a subtitle called the BPCIA, which created an abbreviated approval pathway for biologics that are biosimilar to or interchangeable with an FDA-approved reference biologic. This amendment to the PHSA attempts to minimize duplicative testing.

Biosimilarity, which requires that there be no clinically meaningful differences between the biologic and the reference product in terms of safety, purity, and potency and that the biologic is highly similar to the reference product notwithstanding minor differences in clinically inactive components, which can be demonstrated through comparative analytical studies, animal studies, and a clinical trial or trials. Interchangeability requires that a product is biosimilar to the reference product and the product must demonstrate that it can be expected to produce the same clinical results as the reference product in any given patient or that it can be substituted for the reference product without the intervention of a health care provider who prescribed the reference product, and, for products that are administered multiple times to an individual, the biologic and the reference biologic may be alternated or switched after one has been previously administered without increasing safety risks or risks of diminished efficacy relative to exclusive use of the reference biologic. Complexities associated with the larger, and often more complex, structures of biologics, as well as the processes by which such products are manufactured, pose significant hurdles to implementation of the abbreviated approval pathway that are still being worked out by the FDA.

Under the BPCIA, an application for a biosimilar product may not be submitted to the FDA until four years following the date that the reference product was first licensed by the FDA. In addition, the approval of a biosimilar product may not be made effective by the FDA until 12 years from the date on which the reference product was first licensed. “First licensure” typically means the initial date the particular product at issue was licensed in the United States. This does not include a supplement for the biological product or a subsequent application by the same sponsor or manufacturer of the biological product (or licensor, predecessor in interest, or other related entity) for a change that results in a new indication, route of administration, dosing schedule, dosage form, delivery system, delivery device, or strength, unless that change is a modification to the structure of the biological product and such modification changes its safety, purity, or potency. During this 12-year period of exclusivity, another company may still market a competing version of the reference product if the FDA approves a full BLA for the competing product containing that applicant’s own preclinical data and data from adequate and well-controlled clinical trials to demonstrate the safety, purity and potency of its product. The BPCIA also created certain exclusivity periods for biosimilars approved as interchangeable products. At this juncture, it is unclear whether products deemed “interchangeable” by the FDA will, in fact, be readily substituted by pharmacies, which are governed by state pharmacy law.

U.S. Regulation of Combination Products

Certain products may be comprised of components, such as biologic components and device components, that would normally be regulated under different types of regulatory authorities, and frequently by different centers at the FDA. These products are known as combination products. Specifically, under regulations issued by the FDA, a combination product may be:

- a product comprised of two or more regulated components that are physically, chemically, or otherwise combined or mixed and produced as a single entity;
- two or more separate products packaged together in a single package or as a unit and comprised of drug and device products, device and biological products, or biological and drug products;
- a drug, or device, or biologic packaged separately that according to its investigational plan or proposed labeling is intended for use only with an approved individually specified drug, or device, or biological product where both are required to achieve the intended use, indication, or effect and where upon approval of the proposed product the labeling of the approved product would need to be changed, e.g., to reflect a change in intended use, dosage form, strength, route of administration, or significant change in dose; or
- any investigational drug, or device, or biologic packaged separately that according to its proposed labeling is for use only with another individually specified investigational drug, device, or biological product where both are required to achieve the intended use, indication, or effect.

Under the FDCA and its implementing regulations, the FDA is charged with assigning a center with primary jurisdiction, or a lead center, for review of a combination product. The designation of a lead center generally eliminates the need to receive approvals from more than one FDA component for combination products, although it does not preclude consultations by the lead center with other components of FDA. The determination of which center will be the lead center is based on the "primary mode of action" of the combination product. Thus, if the primary mode of action of a biologic-device combination product is attributable to the biologic, the FDA center responsible for premarket review of the biologic product, whether CBER or CDER, would have primary jurisdiction for the combination product. The FDA has also established an Office of Combination Products to address issues surrounding combination products and provide more certainty to the regulatory review process. That office serves as a focal point for combination product issues for agency reviewers and industry. It is also responsible for developing guidance and regulations to clarify the regulation of combination products, and for assignment of the FDA center that has primary jurisdiction for review of combination products where the jurisdiction is unclear or in dispute.

Even when a single marketing application is required for a combination product, such as an BLA for a combination biologic and device product, both CBER or CDER and FDA's Center for Devices and Radiological Health may participate in the review. If a product candidate is considered a biologic-device combination product, an applicant will also need to discuss with the Agency how to apply certain premarket requirements and post-marketing regulatory requirements, including conduct of clinical trials, adverse event reporting and good manufacturing practices, including applicable portions of the FDA's Quality System regulation, to their combination product.

Some combination products feature a device constituent part that may be used as a platform across multiple products. Additionally, the same device information may be applicable to and used to support multiple submissions to FDA. For such combination products, a device master file may be submitted. A device master file is a submission that includes technical, manufacturing, preclinical, clinical and safety information about a medical device component or material that may be incorporated by reference into a sponsor's IDE, BLA or other submission to the FDA. A master file is not approved by FDA, but is a mechanism to provide information regarding the device constituent part when the same information is applicable to several other applications.

An investigational device exemption, or IDE, allows an investigational device to be used in a clinical study in order to collect safety and effectiveness data. A 30-day waiting period after the submission of each IDE is required prior to the commencement of clinical testing in humans. The IDE application must be supported by appropriate data, such as animal and laboratory testing results, showing that it is safe to test the device in humans and that the testing protocol is scientifically sound. The IDE application must be approved in advance by the FDA for a specified number of patients, unless the product is deemed a non-significant risk device and eligible for abbreviated IDE requirements. Generally, clinical trials for a significant risk device may begin once the IDE application is approved by the FDA and the study protocol and informed consent are approved by appropriate institutional review boards at the clinical trial sites. The FDA's approval of an IDE allows clinical testing to go forward, but it does not bind the FDA to accept the results of the trial as sufficient to prove the product's safety and effectiveness, even if the trial meets its intended success criteria. All clinical trials must be conducted in accordance with the FDA's IDE regulations that govern investigational device labeling, prohibit promotion, and specify an array of recordkeeping, reporting and monitoring responsibilities of study sponsors and study investigators. Clinical trials must further comply with the FDA's regulations for institutional review board approval and for informed consent and other human subject protections. Required records and reports are subject to inspection by the FDA. The FDA may order the temporary, or permanent, discontinuation of a clinical trial at any time, or impose other sanctions, if it believes that the clinical trial either is not being conducted in accordance with FDA requirements or presents an unacceptable risk to the clinical trial subjects. An IRB may also require the clinical trial at the site to be halted, either temporarily or permanently, for failure to comply with the IRB's requirements, or may impose other conditions.

Although the FDA's Quality System Regulation does not fully apply to investigational devices, the requirement for controls on design and development does apply. The sponsor also must manufacture the investigational device in conformity with the quality controls described in the IDE application and any conditions of IDE approval that FDA may impose with respect to manufacturing.

Other Healthcare Laws and Compliance Requirements

Pharmaceutical companies are subject to additional healthcare regulation and enforcement by the federal government and by authorities in the states and foreign jurisdictions in which they conduct their business. Such laws include, without limitation: the federal Anti-Kickback Statute, the federal False Claims Act, the Sunshine Act, the federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, and similar foreign, federal and state fraud and abuse, transparency, and health information privacy and security laws.

The federal Anti-Kickback Statute prohibits, among other things, persons and entities from knowingly and willfully soliciting, receiving, offering or paying remuneration, to induce, or in return for, either the referral of an individual, or the purchase or recommendation of an item or service for which payment may be made under any federal healthcare program. The term remuneration has been interpreted broadly to include anything of value, including stock options. The federal Anti-Kickback Statute has been interpreted to apply to arrangements between pharmaceutical manufacturers on one hand and prescribers, purchasers and formulary managers, among others, on the other. There are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution, but they are drawn narrowly and require strict compliance in order to offer protection. Our activities, including our engagement of consultants, 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 an 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 relevant facts and circumstances. Our practices may not in all cases meet all of the criteria for protection under a statutory exception or regulatory safe harbor. 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. In addition, a claim including items or service resulting from a violation of the federal Anti-Kickback Statute, can result in a false or fraudulent claim for purposes of the federal False Claims Act.

Civil and criminal false claims laws, including the federal False Claims Act, which can be enforced through civil whistleblower or qui tam actions, and civil monetary penalty laws prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, claims for payment to the federal government, including federal healthcare programs, that are false or fraudulent. For example, the federal False Claims Act prohibits any person or entity from knowingly presenting, or causing to be presented, a false claim for payment to the federal government or knowingly making, using or causing to be made or used a false record or statement material to a false or fraudulent claim to the federal government. A claim includes “any request or demand” for money or property presented to the U.S. government. Pharmaceutical and other healthcare companies have been prosecuted under these laws for, among other things, allegedly providing free products or other illegal kickbacks to customers to induce customers to refer or use the companies’ products over competitors’ products or alternative treatments that were billed to federal healthcare programs for reimbursement for the products.

The U.S. federal Physician Payments Sunshine Act requires applicable manufacturers of prescription drugs, devices, biologics or medical supplies subject to FDA approval or clearance for which payment is available under Medicare, Medicaid, or the Children’s Health Insurance Program, with specific exceptions, to annually report to the Centers for Medicare & Medicaid Services (CMS) information related to certain payments or other transfers of value made to physicians (defined to include doctors, dentists, optometrists, podiatrists and chiropractors) and teaching hospitals, including ownership and investment interests held by physicians and their immediate family members. Beginning in 2022, applicable manufacturers also will be required to report such information regarding its payments and other transfers of value to physician assistants, nurse practitioners, clinical nurse specialists, anesthesiologist assistants, certified registered nurse anesthetists and certified nurse midwives during the previous year.

HIPAA created additional federal criminal statutes that prohibit, among other things, executing a scheme to defraud any healthcare benefit program, including private third-party payors, and making false

statements relating to healthcare matters. In addition, HIPAA, as amended the Health Information Technology for Economic and Clinical Health Act of 2009, or HITECH, and their implementing regulations, impose certain requirements on HIPAA covered entities, which include certain healthcare providers, healthcare clearinghouses, and health plans, and individuals and entities, known as business associates, that provide services for or on behalf of the covered entities that involve individually identifiable health information as well as their covered subcontractors, relating to the privacy, security, and transmission of individually identifiable health information.

We are also subject to additional similar U.S. state and foreign law equivalents of each of the above federal laws, which, in some cases, differ from each other in significant ways, and may not have the same effect, complicating compliance efforts. For example, we may be subject to state and foreign anti-kickback and false claims laws that may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third-party payors, including private insurers, or that apply regardless of payor; 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 drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; state laws that require the reporting of information related to drug pricing; state and local laws requiring the registration of pharmaceutical sales representatives; and state and foreign laws governing the privacy and security of health information in some circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, complicating compliance efforts.

If our operations are found to be in violation of any of such laws or any other governmental regulations that apply, we may be subject to penalties, including, without limitation, significant civil, criminal and administrative penalties, damages, fines, exclusion from participating in government-funded healthcare programs, such as Medicare and Medicaid or similar programs in other countries or jurisdictions, government investigations, consent decrees, corporate integrity agreements, integrity oversight and reporting obligations to resolve allegations of non-compliance, disgorgement, imprisonment, contractual damages, reputational harm, diminished profits and market share, and the curtailment or restructuring of our operations.

Privacy and Data Protection Requirements

In the ordinary course of our business, we collect, process and store proprietary, confidential and sensitive information, including personal information, intellectual property, trade secrets, and proprietary information owned or controlled by ourselves or other third parties. We, and third parties upon whom we rely, use information technology, software and services to process, store, use, generate, transfer, and disclose personal information and other sensitive information.

The legislative and regulatory framework related to the collection, use, retention, safeguarding, disclosure, sharing, transfer, security and other processing of personal data worldwide is rapidly evolving. The number and scope of data protection laws and regulations is changing, subject to differing applications and interpretations, and may be inconsistent among jurisdictions, or in conflict with other rules, laws or other data processing obligations. Efforts to ensure that our current and future business arrangements, including our relationship with our CROs or other vendors who process data on our behalf, comply with applicable data privacy and data security laws and regulations will involve substantial costs.

For example, the European General Data Protection Regulation, or GDPR, imposes several requirements relating to the consent of the individuals to whom personal data relates, the information provided to the individuals, the security and confidentiality of the personal data, data breach notification and the use of third-party processors in connection with the processing of personal data. European data protection laws, such as the GDPR, also impose strict rules on the transfer of personal data out of the European Economic Area, Switzerland, and the United Kingdom. Further, the GDPR authorizes the imposition of penalties (such as restrictions or prohibitions on personal data processing) and large fines for noncompliance, including the potential for fines of up to €20 million or 4% of the annual global revenues of the noncompliant company, whichever is greater.

Likewise, we expect that there will continue to be new proposed laws, regulations and industry standards relating to privacy and data protection in the United States, the EU and other jurisdictions, such as the California Consumer Privacy Act of 2018, or CCPA, which has been characterized as the first "GDPR-like" privacy statute to be enacted in the United States. Although the CCPA exempts certain data processed in the context of clinical trials, the CCPA, to the extent applicable to our business and operations, may increase our compliance costs and potential liability with respect to the personal information we maintain about California residents. In any event, 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 information security or privacy laws in light of the lack of applicable precedent and regulations. Federal, state and foreign enforcement bodies have increased their scrutiny of biotechnology companies, which has led to a number of investigations, prosecutions, convictions, fines, penalties and settlements in the industry.

If we, or the third parties upon who we rely, fail, or are perceived to have failed, to address or comply with applicable data protection laws, privacy policies and data protection obligations, or if our privacy policies are, in whole or part, found to be inaccurate, incomplete, deceptive, unfair, or misrepresentative of our actual practices, it could: increase our operational costs, expose us to regulatory scrutiny, actions, fines and penalties; result in reputational harm; lead to a loss of customers; interrupt or stop clinical trials; result in an inability to process personal data or to operate in certain jurisdiction, or result in other material harm to our business.

Moreover, we use third-party service providers, including vendors and CROs, and subprocessors to help us operate our business and engage in processing on our behalf. If we, our service providers, partners, or other relevant third-parties have experienced, or in the future experience, any security incident(s) that result in any data loss, deletion or destruction, unauthorized access to, loss of, unauthorized acquisition or disclosure of, or inadvertent exposure or disclosure of sensitive information, or compromise related to the security, confidentiality, integrity of our (or their) information technology, software, services, communications or data, it may result in a material adverse impact, including without limitation, regulatory investigations or enforcement actions, litigation, or an inability to process data in some jurisdictions. Furthermore, applicable data protection laws, privacy policies and data protection obligations may require us to notify relevant stakeholders of security breaches, including affected individuals, customers, regulators and credit reporting agencies. Such disclosures are costly, and the disclosure or the failure to comply with such requirements, could result in a material adverse impact, including without limitation, regulatory investigations or enforcement actions.

Coverage and Reimbursement

Significant uncertainty exists as to the coverage and reimbursement status of any pharmaceutical or biological product for which we obtain regulatory approval. Sales of any product, if approved, depend, in part, on the extent to which such product will be covered by third-party payors, such as federal, state, and foreign government healthcare programs, commercial insurance and managed healthcare organizations, and the level of reimbursement, if any, for such product by third-party payors. Decisions regarding whether to cover any of our product candidates, if approved, the extent of coverage and amount of reimbursement to be provided are made on a plan-by-plan basis. Further, no uniform policy for coverage and reimbursement exists in the United States, and coverage and reimbursement can differ significantly from payor to payor. Third-party payors often rely upon Medicare coverage policy and payment limitations in setting their own coverage policy, formulary, and reimbursement rates, but also have their own methods and approval process apart from Medicare determinations. As a result, the coverage determination process is often a time-consuming and costly process that will require us to provide scientific, clinical, and/or cost-effectiveness support for the use of our product candidates to each payor separately, with no assurance that coverage and adequate reimbursement will be applied consistently or obtained in the first instance.

For products administered under the supervision of a physician, obtaining coverage and adequate reimbursement may be particularly difficult because of the higher prices often associated with such drugs. Additionally, separate reimbursement for the product itself or the treatment or procedure in which the product is used may not be available, which may impact physician utilization.

In addition, the U.S. government, state legislatures, and foreign governments have continued implementing cost-containment programs, including price controls, restrictions on coverage and reimbursement and requirements for substitution of generic products. Third-party payors are increasingly challenging the prices charged for medical products and services, examining the medical necessity and reviewing the cost effectiveness of pharmaceutical or biological products, medical devices and medical services, in addition to questioning safety and efficacy. Adoption of price controls and cost-containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures, could further limit sales of any product that receives approval. Decreases in third-party reimbursement for any product or a decision by a third-party not to cover a product could reduce physician usage and patient demand for the product.

Healthcare Reform

The United States and some foreign jurisdictions are considering or have enacted a number of reform proposals to change the healthcare system. There is significant interest in promoting changes in healthcare systems with the stated goals of containing healthcare costs, improving quality or expanding access. In the United States, the pharmaceutical industry has been a particular focus of these efforts and has been significantly affected by federal and state legislative initiatives, including those designed to limit the pricing, coverage, and reimbursement of pharmaceutical and biopharmaceutical products, especially under government-funded health care programs, and increased governmental control of drug pricing.

The ACA, which was enacted in March 2010, substantially changed the way healthcare is financed by both governmental and private insurers in the United States, and significantly affected the pharmaceutical industry. The ACA contains a number of provisions of particular import to the pharmaceutical and biotechnology industries, including, but not limited to, those governing enrollment in federal healthcare programs, a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected, a new licensure framework for follow on biologic products, and annual fees based on pharmaceutical companies' share of sales to federal health care programs. There have been executive, judicial and Congressional challenges to certain aspects of the ACA. For example, the Tax Cuts and Jobs Act of 2017 (Tax Act) was enacted, which, among other things, removed penalties for not complying with ACA's individual mandate to carry health insurance, effective January 1, 2019. On December 14, 2018, the Texas District Court Judge ruled that the individual mandate is a critical and inseverable feature of the ACA, and therefore, because it was repealed as part of the Tax Act, the remaining provisions of the ACA are invalid as well. Additionally, on December 18, 2019, the U.S. Court of Appeals for the 5th Circuit upheld the District Court ruling that the individual mandate was unconstitutional and remanded the case back to the District Court to determine whether the remaining provisions of the ACA are invalid as well. The United States Supreme Court is currently reviewing this case but it is unknown when a decision will be reached. On February 10, 2021, the Biden administration withdrew the federal government's support for overturning the ACA. Although the Supreme Court has not yet ruled on the constitutionality of the ACA, on January 28, 2021, President Biden issued an executive order to initiate a special enrollment period for purposes of obtaining health insurance coverage through the ACA marketplace, which began on February 15, 2021 and will remain open through August 15, 2021. The executive order also instructs certain governmental agencies to review and reconsider their existing policies and rules that limit access to healthcare, including among others, reexamining Medicaid demonstration projects and waiver programs that include work requirements, and policies that create unnecessary barriers to obtaining access to health insurance coverage through Medicaid or the ACA. It is unclear how the Supreme Court ruling, other such litigation and the healthcare reform measures of the Biden administration will impact the ACA.

Other legislative changes have been proposed and adopted since the ACA was enacted, including aggregate reductions of Medicare payments to providers of 2% per fiscal year and reduced payments to several types of Medicare providers. These reductions went into effect in April 2013 and, due to subsequent legislative amendments to the statute, will remain in effect through 2030 unless additional action is taken by Congress. However, COVID-19 relief legislation suspended the 2% Medicare sequester from May 1, 2020 through December 31, 2021.

Moreover, there has recently been heightened governmental scrutiny over the manner in which manufacturers set prices for their marketed products, which has resulted in several 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, and reform government program reimbursement methodologies for drug products. At the federal level, the Trump administration used several means to propose or implement drug pricing reform, including through federal budget proposals, executive orders and policy initiatives. For example, on July 24, 2020 and September 13, 2020, the Trump administration announced several executive orders related to prescription drug pricing that attempt to implement several of the administration's proposals. The FDA also released a final rule, effective November 30, 2020, implementing a portion of the importation executive order providing guidance for states to build and submit importation plans for drugs from Canada. Further, on November 20, 2020, HHS finalized a regulation removing safe harbor protection for price reductions from pharmaceutical manufacturers to plan sponsors under Part D, either directly or through pharmacy benefit managers, unless the price reduction is required by law. The implementation of the rule has been delayed by the Biden administration from January 1, 2022 to January 1, 2023 in response to ongoing litigation. The rule also creates a new safe harbor for price reductions reflected at the point-of-sale, as well as a new safe harbor for certain fixed fee arrangements between pharmacy benefit managers and manufacturers, the implementation of which have also been delayed until January 1, 2023. On November 20, 2020, CMS issued an interim final rule implementing President Trump's Most Favored Nation executive order, which would tie Medicare Part B payments for certain physician-administered drugs to the lowest price paid in other economically advanced countries, effective January 1, 2021. On December 28, 2020, the United States District Court in Northern California issued a nationwide preliminary injunction against implementation of the interim final rule. It is unclear whether the Biden administration will work to reverse these measures or pursue similar policy initiatives. At the state level, legislatures have increasingly passed legislation and implemented 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. Further, it is possible that additional governmental action is taken in response to the COVID-19 pandemic.

Employees and Human Capital Resources

As of March 31, 2021, we had 71 full-time employees and no part-time employees. Of our full-time employees, 19 have advanced degrees, including but not limited to Ph.D.s in pharmacology, chemical engineering, and chemistry, 46 work in manufacturing and automation, 13 work in research and development, and 12 work in general and administrative functions. Our employees are primarily located in San Jose, California. None of our employees are represented by a labor union or are a party to a collective bargaining agreement and we believe that we have good relations with our employees.

Our human capital 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 stock-based compensation awards.

The success of our business is fundamentally connected to the well-being of our employees. We provide market competitive compensation and benefits programs to help meet the needs of our employees. In addition to salaries, these programs include potential annual discretionary bonuses, broad-based equity awards, a 401(k) plan, healthcare and insurance benefits, health savings and flexible spending accounts, paid time off, family leave and flexible work schedules, among others. These benefits provide our employees choices where possible so they can customize their benefits to meet their needs and the needs of their families, as well as access to tools and resources to help them improve or maintain their health status and encourage engagement in healthy behaviors to improve their physical and mental health.

In response to the COVID-19 pandemic and “shelter in place” and similar orders issued by state and local governments, we have temporarily restricted access to our offices in California, as well as suspended any non-essential business travel. Our employees are conducting their work remotely, and they otherwise have minimal presence in our offices for essential activities. The safety, health and well-being of our employees is paramount. As such, we will consider ongoing government regulations and local health conditions before lifting any restrictions on travel or allowing any gatherings at our offices.

Consultants

We have established, and expect to continue to establish, consulting agreements with drug development professionals, clinicians, attorneys and regulatory experts with experience in numerous fields, including clinical science, biostatistics, clinical operations, pharmacovigilance, quality, manufacturing and regulatory affairs. We retain each consultant according to the terms of a consulting agreement. Under such agreements, we pay them a consulting fee and reimburse them for out of pocket expenses incurred in performing their services for us. In addition, we have in the past and may again in the future grant options to purchase our common stock to consultants, subject to the vesting requirements contained in the consulting agreements. Our consultants may be employed by other entities and therefore may have commitments to their employer, or may have other consulting or advisory agreements that may limit their availability to us.

Facilities

Our corporate headquarters are currently located in San Jose, California, where we lease 22,000 square feet of office, research and development, production and manufacturing, and laboratory space pursuant to a service agreement with InCube Labs, LLC. We believe that these facilities will be adequate for our near-term needs. If required, we believe that suitable additional or alternative space would be available in the future on commercially reasonable terms.

Legal Proceedings

From time to time, we may become involved in litigation or other legal proceedings. We are not currently a party to any litigation or legal proceedings that, in the opinion of our management, are likely to have a material adverse effect on our business. Regardless of outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors.

MANAGEMENT

Executive Officers, Directors and Key Employees

The following table sets forth the names, ages, and positions of our executive officers, directors and key employees, as of June 17, 2021:

Name	Age	Position
Executive Officers:		
Talat Imran	40	Chief Executive Officer and Director
Svai Sanford	51	Chief Financial Officer
Mir Hashim	62	Chief Scientific Officer
Non-Employee Directors:		
Mir Imran	65	Executive Chairman
Dennis Ausiello(3).	75	Director
Jean-Luc Butel(1)(2)	64	Director
Laureen DeBuono(1)(2)(3)	63	Director
Andrew Farquharson.	52	Director
Maulik Nanavaty(1)(2)(3)	59	Director

(1) Member of the audit committee
(2) Member of the compensation committee
(3) Member of the nominating and corporate governance committee

Executive Officers

Talat Imran. Mr. Imran has served as a member of our board of directors and our Chief Executive Officer since June 2021. From January 2014 to June 2021, Mr. Imran served as our Vice President, Strategy. Previously, Mr. Imran served as a partner at InCube Ventures, LP, a venture capital company in the healthcare sector, from May 2007 to June 2021, as co-founder and Managing Director of VentureHealth, a healthcare investment company, from December 2012 to June 2021, and as chief executive officer of Venture Web Partners, a web design, development and hosting firm, from June 2006 to December 2016. He earned a B.A. in Computer Science from the University of California, Santa Cruz.

We believe Mr. Imran is qualified to serve on our board of directors because of his experience in the healthcare sector and his extensive knowledge of our company.

Svai Sanford. Mr. Sanford has served as our Chief Financial Officer since November 2018. Prior to joining us, from June 2017 to November 2018, Mr. Sanford served as an executive consultant and acting Chief Financial Officer for pH Pharma Inc., a consumer skin care company. From September 2015 to March 2017, he served as the Chief Financial Officer of SFJ Pharmaceuticals, Inc., a drug development company, and from July 2012 to September 2015, he served as the Chief Financial Officer and Chief Accounting Officer of VIVUS, Inc., a public biopharmaceutical company. Mr. Sanford was a member of the audit practice at KPMG LLP from 1996 to 2002. He earned a B.S. in Accounting from Kansas State University and is a Certified Public Accountant (inactive).

Mir Hashim. Dr. Hashim has served as our Chief Scientific Officer since June 2013 and was a member of our board of directors from June 2013 to June 2021. Dr. Hashim has served as Vice President, Research and Development, at InCube Labs, LLC, a medical device research company, since September 2008. Prior to this, he spent 18 years serving in multiple scientific roles at GlaxoSmithKline plc, a global pharmaceutical company, including as Head of Pharmacology. Dr. Hashim earned a B.S. in Biology and Chemistry from Osmania University, an M.S. in Life Sciences from the University of Hyderabad and a Ph.D. in Pharmacology from the School of Medicine, Memorial University of Newfoundland.

Non-Employee Directors

Mir Imran. Mr. Imran founded Rani Therapeutics, LLC and has served as a member of our board of directors since February 2012. From February 2012 to June 2021, he served as our President and Chief Executive Officer, and since June 2021, as our Executive Chairman. Since November 2012, Mr. Imran has served as a co-founder and a Managing Director of InCube Ventures, LP and InCube Crowdfunding, LLC, venture capital companies in the healthcare sector. Since 1995, Mr. Imran has also served as the Chairman of InCube Labs, LLC, a research company that he founded. Mr. Imran is a fellow of the American Institute of Medical and Biological Engineers, the National Academy of Engineering and the National Academy of Inventors. Mr. Imran earned a B.S. in Electrical Engineering from Rutgers University, and attended Rutgers Medical School.

We believe Mr. Imran is qualified to serve on our board of directors because of his experience in the healthcare sector and medical device research and his extensive knowledge of our company.

Dennis Ausiello. Dr. Ausiello has served as a member of our board of directors since September 2018. Dr. Ausiello serves as the Director of the Center for Assessment Technology and Continuous Health (CATCH), which he co-founded, Jackson Distinguished Professor of Clinical Medicine at Harvard Medical School and Physician-in-Chief Emeritus at Massachusetts General Hospital. From 1996 to April 2013, Dr. Ausiello served as the Chief of Medicine at Massachusetts General Hospital. Dr. Ausiello is a member of the Institute of Medicine of the National Academy of Sciences and a fellow of the American Academy of Arts and Sciences. Dr. Ausiello has served on the board of directors of Alnylam Pharmaceuticals, Inc., an RNA interference company, since April 2012, the board of directors of Seres Therapeutics, Inc., a microbiome therapeutics company, since April 2015 and previously served on the board of directors of Pfizer Inc., a pharmaceuticals company. Dr. Ausiello received a B.A. in Biochemistry from Harvard College and an M.D. from the University of Pennsylvania.

We believe Dr. Ausiello is qualified to serve on our board of directors because of his leadership experience in the medical field, including in finance and research.

Jean-Luc Butel. Mr. Butel has served as a member of our board of directors since April 2021. Mr. Butel currently serves on the board of directors of multiple companies, including Takeda Pharmaceutical Company Limited, a global pharmaceuticals company, since June 2016, Novo Holdings A/S, a life science investment company, since June 2017, JanaCare, a digital health company, since March 2019, SGInnovate, a start-up investment company, since January 2017, and A*ccelerate Technologies Pte. Ltd., an entity responsible for the commercialization of A*STAR's IP portfolio, from September 2015 to December 2020. Since June 2015, he has also served as President and Global Healthcare Advisor at K8 Global Pte Ltd., a business consulting firm. Mr. Butel served on the board of directors of Varian Medical Systems Inc., a medical equipment manufacturer, from February 2017 to April 2021. From July 2015 to September 2019, Mr. Butel served on the board of directors of BioMers Pte Ltd., a dental product manufacturer. Mr. Butel served as a member of the Singapore Economic Development Board, from January 2012 to January 2018, and as the Chair of the Finance Committee from March 2017 to March 2018. Mr. Butel also served as a Senior Advisor for the Healthcare Systems and Services group at McKinsey & Company, a management consulting firm, from July 2015 to January 2017. Mr. Butel earned a B.A. from George Washington University and an M.B.A from Thunderbird School of Global Management.

We believe Mr. Butel is qualified to serve on our board of directors because of his leadership experience in healthcare companies.

Laureen DeBuono. Ms. DeBuono has served as a member of our board of directors since April 2021. Ms. DeBuono has served as a partner of FLG Partners, LLC, a financial consulting and advisory firm, since October 2011 and, since May 2020, she has served as the firm's Managing Partner. From August 2018 to December 2019, she also served as Chief Executive Officer and a member of the Board of Directors of Govino, LLC, a sustainable wine glass distributor. From February 2018 to April 2019, Ms. DeBuono served as the Interim Chief Financial Officer and Advisor to the Chief Executive Officer of HotelTonight, a mobile travel booking

company that was acquired in April 2019 by Airbnb, Inc. Prior to this, from May 2017 to February 2018, she served as the Chief Operating Officer for Circa of America, LLC, a private-label textiles company. From January 2014 to January 2017, Ms. DeBuono served as a member of the Board of Directors, member of the audit committee and chair of the governance committee of Turtle Beach, a gaming headset company. Prior to this, she served as an advisor to the Chief Executive Officer and Board of Directors of BuildDirect Technologies Inc., a Vancouver-based building goods company, from September 2016 to January 2017. From July 2014 to September 2016, she served as an Advisor to the Board of Directors and Interim Chief Financial Officer of Rodan & Fields, LLC, a premium skincare company. Ms. DeBuono earned a B.A. from Duke University, an M.A. from Stanford University and a J.D. from New York University School of Law.

We believe Ms. DeBuono is qualified to serve on our board of directors because of her financial management experience and experience in the healthcare and medical technology industries.

Andrew Farquharson. Mr. Farquharson has served as a member of our board of directors since June 2012. Since January 2008, he has served as a Managing Director of InCube Ventures, LP, a venture capital firm in the healthcare sector that he co-founded. Mr. Farquharson is also the co-founder of VentureHealth, and has been a Kauffman Fellow since 2006. Prior to entering venture capital, he served as Executive Vice President of Operon Technologies and held various roles within Genentech. Mr. Farquharson continues to serve on the boards of several private companies. Mr. Farquharson earned a B.A. from the University of California, Berkeley and an M.B.A. from Harvard Business School.

We believe Mr. Farquharson is qualified to serve on our board of directors because of his experience in the healthcare sector and extensive knowledge of our company.

Maulik Nanavaty. Dr. Nanavaty has served as a member of our board of directors since June 2016. Dr. Nanavaty has served as Senior Vice President and President, Neuromodulation, at Boston Scientific Corporation, a medical device company, since September 2011. Prior to this he served as President of Boston Scientific Japan and as Vice President and General Manager, Interventional Cardiology, Boston Scientific Japan. Dr. Nanavaty joined Boston Scientific in 2005 as Vice President, Corporate Strategy, Boston Scientific Japan. Prior to joining Boston Scientific, Dr. Nanavaty spent 16 years working in various executive positions at Baxter International, Inc., a healthcare products company. Dr. Nanavaty holds a Ph.D. in Pharmaceutical Sciences from the University of Illinois and an M.B.A. from the University of Chicago.

We believe Dr. Nanavaty is qualified to serve on our board of directors because of his extensive experience in the medical device industry.

Family Relationships Between Directors and Executive Officers

Mir Imran is the brother of Dr. Hashim and the father of Talat Imran.

Board Composition

Our board of directors currently consists of seven members. After the completion of this offering, the number of directors will be fixed by our board of directors, subject to the terms of our amended and restated certificate of incorporation and amended and restated bylaws. Each of our current directors will continue to serve as a director until the election and qualification of his or her successor, or until his or her earlier death, resignation or removal.

Our amended and restated certificate of incorporation will provide that, until the earlier to occur of (i) the date that is ten (10) years following the closing of this offering, (ii) a date fixed by the board of directors that is not less than sixty (60) days nor more than one hundred and eighty (180) days after the death or disability of the last to die or be the subject of a disability of Mir Imran the Executive Chairman of the Company, Talat Imran the Company’s Chief Executive Officer or Sanah Imran the Company’s Special Project Manager, and (iii) the

date on which the holders of at least two-thirds (2/3) of the voting power of the Class B common stock, voting as a single class, affirmatively vote to retire all outstanding shares of Class B common stock (the "Final Conversion Date"), our board of directors will be elected at each annual meeting of stockholders to hold office until the next annual meeting or until his or her successor is duly elected and qualified or his or her earlier death, resignation or removal. We will have a classified board with three (3) classes from and after the Final Conversion Date.

Controlled Company Status

Following the completion of this offering, we will be a "controlled" company within the meaning of the corporate governance rules of Nasdaq. Although we do not intend to rely on the exemptions from these corporate governance requirements, if we do rely on such exemptions in the future, you will not have the same protections afforded to stockholders of companies that are subject to these corporate governance requirements. In the event that we cease to be a "controlled company" and our shares continue to be listed on Nasdaq, we will be required to comply with these provisions within the applicable transition periods.

Director Independence

Upon the completion of this offering, we anticipate that our Class A common stock will be listed on the Nasdaq Global Market. Under the rules of the Nasdaq Stock Market, independent directors must comprise a majority of a listed company's board of directors within one year of the completion of this offering. In addition, the rules of the Nasdaq Stock Market require that, subject to specified exceptions, each member of a listed company's audit, compensation and corporate governance, and nominating committees be independent. Audit committee members and compensation committee members must also satisfy the independence criteria set forth in Rule 10A-3 and Rule 10C-1, respectively, under the Exchange Act. Under the rules of the Nasdaq Stock Market, a director will only qualify as an "independent director" if, in the opinion of that company's board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

To be considered to be independent for purposes of Rule 10A-3 and under the rules of the Nasdaq Stock Market, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors or any other board committee: (1) accept, directly or indirectly, any consulting, advisory or other compensatory fee from the listed company or any of its subsidiaries or (2) be an affiliated person of the listed company or any of its subsidiaries.

To be considered independent for purposes of Rule 10C-1 and under the rules of the Nasdaq Stock Market, the board of directors must affirmatively determine that each member of the compensation committee is independent, including a consideration of all factors specifically relevant to determining whether the director has a relationship to the company which is material to that director's ability to be independent from management in connection with the duties of a compensation committee member, including, but not limited to: (1) the source of compensation of such director, including any consulting, advisory, or other compensatory fee paid by the company to such director and (2) whether such director is affiliated with the company, a subsidiary of the company or an affiliate of a subsidiary of the company.

Our board of directors undertook a review of its composition, the composition of its committees, and the independence of our directors and considered whether any director has a material relationship with us that could compromise his or her ability to exercise independent judgment in carrying out his or her responsibilities. Based upon information requested from and provided by each director concerning his background, employment, and affiliations, including family relationships, our board of directors has determined that Drs. Ausiello and Nanavaty, Mr. Butel and Ms. DeBuono, representing four of our seven directors, do not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is "independent" as that term is defined under the rules of the Nasdaq Stock Market.

In making these determinations, our board of directors considered the current and prior relationships that each non-employee director has with our company and all other facts and circumstances our board of directors deemed relevant in determining their independence, including the beneficial ownership of our capital stock by each non-employee director, and the transactions involving them described in the section titled "Certain Relationships and Related Person Transactions."

Lead Independent Director

Our board of directors has appointed Laureen DeBuono as our lead independent director. As our lead independent director, Ms. DeBuono will preside over periodic meetings of our independent directors and coordinate certain activities of the independent directors.

Role of the Board in Risk Oversight

Our board of directors has an active role, as a whole and also at the committee level, in overseeing the management of our risks. Our board of directors is responsible for general oversight of risks and regular review of information regarding our risks, including credit risks, liquidity risks, and operational risks. The compensation committee is responsible for overseeing the management of risks relating to our executive compensation plans and arrangements. The audit committee is responsible for overseeing the management of risks relating to accounting matters and financial reporting. The nominating and corporate governance committee is responsible for overseeing the management of risks associated with the independence of our board of directors and potential conflicts of interest. Although each committee is responsible for evaluating certain risks and overseeing the management of such risks, our entire board of directors is regularly informed through discussions from committee members about such risks. Our board of directors believes its administration of its risk oversight function has not negatively affected the board of directors' leadership structure.

Board Committees

Our board of directors has an audit committee, a compensation committee, and a nominating and corporate governance committee, each of which has the composition and the responsibilities described below.

Audit Committee

The members of our audit committee are Laureen DeBuono, Maulik Nanavaty and Jean-Luc Butel. Laureen DeBuono is the chair of our audit committee and also our audit committee financial expert, as that term is defined under the SEC rules implementing SOX Section 407, and possesses financial sophistication, as defined under the rules of the Nasdaq Stock Market. Our audit committee oversees our corporate accounting and financial reporting process and assists our board of directors in monitoring our financial systems. Our audit committee will also:

- appoint, approve the compensation of, and assess the qualifications, performance and independence of our independent registered public accounting firm;
- pre-approve audit and permissible non-audit services, and the terms of such services, to be provided by our independent registered public accounting firm;
- discuss on a periodic basis, or as appropriate, with management, our policies, programs and controls with respect to risk assessment and risk management;
- review financial statements related disclosures as well as critical accounting policies and practices used by us and discuss with management and the independent registered public accounting firm our annual audited and quarterly financial statements, the results of the independent audit and the quarterly reviews and the reports and certifications regarding internal controls over financial reporting and disclosure controls;
- monitor the rotation of partners of the independent registered public accounting firm on our engagement team in accordance with requirements established by the SEC;
- prepare the audit committee report that the SEC requires to be included in our annual proxy statement;

- recommend, based upon the audit committee's review and discussions with management and the independent registered public accounting firm, whether our audited consolidated financial statements shall be included in our Annual Report on Form 10-K;
- monitor our compliance with legal and regulatory requirements as they relate to our consolidated financial statements and accounting matters;
- review the audit committee charter and the audit committee's performance at least annually;
- review reports and communications from the independent registered public accounting firm;
- review the adequacy and effectiveness of our internal controls and disclosure controls and procedure;
- review our policies on risk assessment and risk management;
- review all related party transactions for potential conflict of interest situations and approving all such transactions; and
- establish and oversee procedures for the receipt, retention, and treatment of accounting related complaints and the confidential submission by our employees of concerns regarding questionable accounting or auditing matters.

Our audit committee will operate under a written charter, to be effective prior to the closing of this offering, which will satisfy the applicable rules of the SEC and the listing standards of the Nasdaq Stock Market.

Compensation Committee

The members of our compensation committee are Maulik Nanavaty, Laureen DeBuono and Jean-Luc Butel. Maulik Nanavaty is the chair of our compensation committee. Our compensation committee oversees our compensation policies, plans, and benefits programs. The compensation committee will also:

- oversee our overall compensation philosophy and compensation policies, plans, and benefit programs;
- review and approve or recommend to the board of directors for approval compensation for our executive officers and directors;
- prepare the compensation committee report that the SEC will require to be included in our annual proxy statement; and
- administer our equity compensation plans.

Our compensation committee will operate under a written charter, to be effective prior to the closing of this offering, which will satisfy the applicable rules of the SEC and the listing standards of the Nasdaq Stock Market.

Nominating and Corporate Governance Committee

The members of our nominating and corporate governance committee are Maulik Nanavaty, Dennis Ausiello and Laureen DeBuono. Maulik Nanavaty is the chair of our nominating and corporate governance committee. Our nominating and corporate governance committee oversees and assists our board of directors in reviewing and recommending nominees for election as directors. Specifically, the nominating and corporate governance committee will:

- identify, evaluate, and make recommendations to our board of directors regarding nominees for election to our board of directors and its committees;

- consider and make recommendations to our board of directors regarding the composition of our board of directors and its committees;
- review developments in corporate governance practices;
- evaluate the adequacy of our corporate governance practices and reporting; and
- evaluate the performance of our board of directors and of individual directors.

Our nominating and corporate governance committee will operate under a written charter, to be effective prior to the closing of this offering, which will satisfy the applicable rules of the SEC and the listing standards of the Nasdaq Stock Market.

Non-Employee Director Compensation

On June 17, 2021, the board of directors approved grants of options to purchase common units of Rani LLC to each of Jean-Luc Butel, Laureen DeBuono, Maulik Nanavaty and Dennis Ausiello. Jean-Luc Butel and Laureen DeBuono were each granted an option to purchase 257,000 common units of Rani LLC (which will be automatically exchanged for an option to purchase Class A common stock of Rani Holdings in connection with the closing of this offering), with one-third of the units subject to the option vesting on the first anniversary of April 20, 2021, and one thirty-sixth of the units subject to the option vesting each month thereafter, subject to the non-employee director's continuous service with us through each vesting date. Maulik Nanavaty and Dennis Ausiello were each granted an option to purchase 150,000 common units of Rani LLC (which will be automatically exchanged for an option to purchase Class A common stock of Rani Holdings in connection with the closing of this offering), with one thirty-sixth of the units subject to the option vesting each month following June 14, 2021, subject to the non-employee director's continuous service with us through each vesting date.

Non-Employee Director Compensation Policy

In anticipation of this offering and the increased responsibilities of our directors as directors of a public company, our board of directors has adopted a non-employee director compensation policy, effective as of the effectiveness of the registration statement of which this prospectus forms a part, pursuant to which each of our directors who is not an employee or consultant of our company will be eligible to receive compensation for service on our board of directors and committees of our board of directors.

Each non-employee director will receive an annual cash retainer of $45,000 for serving on our board of directors, and the executive chairperson and/or lead independent director of our board of directors will each receive an additional annual cash retainer of $35,000. The chairperson of the audit committee of our board of directors will be entitled to an annual service retainer of $20,000, and each other member of the audit committee will be entitled to an annual service retainer of $7,500. The chairperson of the compensation committee of our board of directors will be entitled to an annual service retainer of $15,000, and each other member of the compensation committee will be entitled to an annual service retainer of $5,000. The chairperson of the nominating and corporate governance committee of our board of directors will be entitled to an annual service retainer of $10,000, and each other member of the nominating and corporate governance committee will be entitled to an annual service retainer of $4,000. All annual cash compensation amounts will be payable in equal quarterly installments in arrears, on the last day of each fiscal quarter for which the service occurred, pro-rated for any partial months of service.

On the date of each annual meeting of our stockholders following the closing of this offering, each continuing nonemployee director will receive an option to purchase a number of shares of Class A common stock of Rani Holdings under the 2021 Plan with a grant date fair value of $. The grant date fair value of any annual option grant to a nonemployee director who is elected or appointed on a date other than the date of an

annual meeting of our stockholders will be prorated to reflect the time between the date of such director's election or appointment and the date of such first annual stockholder meeting. The shares subject to annual option grants will vest upon the earlier of the first anniversary of the grant date or the date of the next annual meeting of our stockholders, subject to the non-employee director's continuous service with us through the vesting date.

Each new non-employee director who joins our board of directors following the closing of this offering will be granted an option to purchase a number of shares of Class A common stock of Rani Holdings under the 2021 Plan with a grant date fair value of $. The shares subject to this option will vest over a three-year period, with one-third of the shares subject to the option vesting on the first anniversary of the grant date and one thirty-sixth of the shares subject to the option vesting each month thereafter, subject to the non-employee director's continuous service with us through each vesting date.

All options granted under the non-employee director compensation policy will vest upon a change in control of us, subject to the non-employee director's continuous service with us through the date of our change in control. The exercise price per share of each option granted under the non-employee director compensation policy will be equal to the closing price of Rani Holding's Class A common stock on the Nasdaq Stock Market on the date of grant. Each option will have a term of ten years from the grant date, subject to earlier termination in connection with a termination of the non-employee director's continuous service with us.

In addition, we will reimburse non-employee directors for ordinary, necessary and reasonable out-of-pocket travel expenses to cover in-person attendance at and participation in board and committee meetings.

The following table presents the total compensation each of our non-employee directors received during the year ended December 31, 2020. Other than as set forth in the table, we did not pay any compensation, make any equity awards or non-equity awards to or pay any other compensation to any of our non-employee directors in 2020.

Name	Fees Earned or Paid in Cash ($)	Total ($)
Dennis Ausiello(1)(3)(4)	30,000	30,000
Andrew Farquharson(2)(3)(5)	150,000	150,000
Maulik Nanavaty(3)(6)	—	—
Jean-Luc Butel(7)	—	—
Laureen DeBuono(8)	—	—

(1) Reflects a retainer fee of $2,500 per month paid to Dr. Ausiello subject to his continuous service through each such month and pursuant to a Board Service Letter Agreement by and between Rani Therapeutics, LLC and Dr. Ausiello, dated as of May 14, 2018.
(2) Reflects a discretionary bonus to reward active and longstanding board service.
(3) The table below sets forth the aggregate number of outstanding Profits Interests units beneficially owned by each of our non-employee directors as of December 31, 2020:

Name	Number of Profits Interests Units Outstanding as of December 31, 2020
Dennis Ausiello	150,000
Andrew Farquharson	500,000
Maulik Nanavaty	300,000

(4) We made the following Profits Interests grants to Dr. Ausiello: 50,000 common units granted in September 2018 with a participation threshold of $2.18 per unit that vest monthly over four years from the vesting commencement date of July 1, 2018; and 100,000 common units granted in September 2019 with a participation threshold of $2.29 per unit that vest monthly over four years from the vesting commencement date of September 17, 2019.

(5) We made the following Profits Interests grant to Mr. Farquharson: 500,000 common units granted in May 2016 with a participation threshold of $1.44 per unit of which 25% vest on the one-year anniversary of the vesting commencement date of February 21, 2012 and 1/48th of which vest on each monthly anniversary of the vesting commencement date thereafter.
(6) We made the following Profits Interests grants to Dr. Nanavaty: 100,000 common units granted in June 2016 with a participation threshold of $1.44 per unit of which 25% vest on the one-year anniversary of the vesting commencement date of June 1, 2016 and 1/48th of which vest on each monthly anniversary of the vesting commencement date thereafter; 100,000 common units granted in June 2016 with a participation threshold of $1.44 per unit of which 25% vest on the one-year anniversary of the vesting commencement date of July 1, 2014 and 1/48th of which vest on each monthly anniversary of the vesting commencement date thereafter; and 100,000 common units granted in September 2019 with a participation threshold of $2.29 per unit that vest monthly over four years from the vesting commencement date of September 17, 2019.
(7) Mr. Butel joined our board of directors in April 2021.
(8) Ms. DeBuono joined our board of directors in April 2021.

Directors who are also our employees receive no additional compensation for their service as directors. Mir Imran and Dr. Hashim were our only employee directors during fiscal 2020. See the section titled “Executive Compensation” for additional information about Dr. Hashim’s compensation. Mir Imran does not receive any compensation for his services as an officer or a director.

Compensation Committee Interlocks and Inside Participation

None of the members of our compensation committee is or has been an officer or employee of our company. None of our executive officers currently serves, or in the past fiscal year has served, as a member of the board of directors or compensation committee (or other board committee performing equivalent functions or, in the absence of any such committee, the entire board of directors) of any entity that has one or more executive officers serving on our board of directors or compensation committee.

Code of Business Conduct and Ethics

Prior to the closing of this offering, we intend to adopt a written code of business conduct and ethics that will apply to our directors, officers, and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller or, persons performing similar functions. Following the completion of this offering, the code of business conduct and ethics will be available on our website at https://www.ranitherapeutics.com/. We intend to disclose future amendments to such code, or any waivers of its requirements, applicable to any principal executive officer, principal financial officer, principal accounting officer or controller or persons performing similar functions, or our directors on our website identified above. Information contained on the website is not incorporated by reference into this prospectus and should not be considered to be part of this prospectus.

EXECUTIVE COMPENSATION

Unless we state otherwise or the context otherwise requires, in this Executive Compensation section the terms "Rani Therapeutics," "Rani," "we," "us," "our" and the "Company" refer to Rani LLC, for the period up to this offering, and for all periods following the completion of this offering, to Rani Therapeutics Holdings, Inc.

We are currently considered an "emerging growth company" within the meaning of the Securities Act for purposes of the SEC's executive compensation disclosure rules. Accordingly, we are required to provide a Summary Compensation Table and an Outstanding Equity Awards at Fiscal Year-End Table, as well as limited narrative disclosures regarding executive compensation for our last completed fiscal year. Further, our reporting obligations extend only to the following "named executive officers," who are the individuals who served as our principal executive officer during and the next two most highly compensated executive officers at the end of the fiscal year ended December 31, 2020. For the fiscal year ended December 31, 2020, our named executive officers and their principal positions were as follows:

- Mir Imran, our Executive Chairman and former President and Chief Executive Officer;
- Mir Hashim, our Chief Scientific Officer; and
- Svai Sanford, our Chief Financial Officer.

Summary Compensation Table

The following table sets forth information regarding the compensation of our named executive officers for the year ended December 31, 2020.

Name and Principal Position	Year	Salary ($)(1)	Bonus ($)	Option Awards ($)(2)	Total ($)
Mir Imran(3)	2020	—	—	—	—
Executive Chairman and former President and Chief Executive Officer					
Mir Hashim	2020	$ 325,626	$ 160,000	$ 144,750	$ 630,376
Chief Scientific Officer					
Svai Sanford	2020	$ 306,250	$ 140,000	$ 77,200	$ 523,450
Chief Financial Officer					

(1) Amounts reflect annual salary, as adjusted on November 15, 2020.
(2) Amounts reflect the aggregate grant date fair value of Profits Interests granted to our named executive officers during 2020 under our 2016 Plan (as defined below), computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, *Compensation – Stock Compensation*. The assumptions used in calculating the grant date fair value of the award disclosed in this column are set forth in the notes to our audited financial consolidated statements included elsewhere in this prospectus. These amounts do not correspond to the actual value that may be recognized by the named executive officers. See the subsection titled "—Outstanding Equity Awards at Fiscal Year-End" for additional information.
(3) Mir Imran resigned from his position as President and Chief Executive Officer in June 2021.

Mir Imran did not receive compensation for his services as our President and Chief Executive Officer, *provided that*, ICL, of which Mir Imran is the sole Managing Member, has entered into certain transactional agreements with the Company, as described in the section titled "Certain Relationships and Related Person Transactions."

Narrative Disclosure to Summary Compensation Table

Employment Agreements

Below are descriptions of the offer letters with each of our named executive officers setting forth the terms and conditions of such executive's employment with RMS, a wholly owned subsidiary of the Company.

Mir Imran did not have a formal offer letter or employment agreement with RMS that was in effect during fiscal year 2020, while serving as our President and Chief Executive Officer.

Mir Hashim

In December 2019, we signed an offer letter with Dr. Hashim, our Chief Scientific Officer, effective January 1, 2020. The offer letter provides for an annual salary of $315,000, that was increased to $400,000, effective as of November 15, 2020.

Svai Sanford

In December 2019, we signed an offer letter with Mr. Sanford, our Chief Financial Officer, effective January 1, 2020. The offer letter provides for an annual salary of $300,000, that was increased to $350,000, effective as of November 15, 2020.

Equity Incentives

We have historically offered equity incentives to our named executive officers through grants of Profits Interests in the Company. Certain of these incentive unit awards are subject to time-based vesting requirements and are subject to accelerated vesting upon the occurrence of certain change-in-control events, including the closing of this offering. See below under " —Actions Taken in Connection with this Offering—Acceleration of Profits Interests Grants" for additional information regarding the expected acceleration of certain of the Profits Interests.

Annual Bonus

In December 2020, our compensation committee approved discretionary annual bonuses for Dr. Hashim and Mr. Sanford for 2020 in the amount equal to 40% of their then-current annual salary, equal to $160,000 and $140,000, respectively, which were paid in December 2020, as reflected in the "Bonus" column of the Summary Compensation Table above.

Outstanding Equity Awards at Fiscal Year-End

The following table summarizes the number of Profits Interests outstanding for our named executive officers as of December 31, 2020 that were issued by the Company under the 2016 Equity Incentive Plan, or the 2016 Plan. For more information about the outstanding equity awards granted to our named executive officers, please see the section titled "Narrative Disclosure to Summary Compensation Table—Equity Incentives" above:

		Option Awards(1)				
Name	Grant Date	Vesting Commencement Date	Number of securities underlying unexercised options (#) exercisable	Number of securities underlying unexercised options(#) unexercisable	Option exercise price(2) ($)	Option expiration date
Mir Imran(3)	—	—	—	—	—	—
Mir Hashim	05/09/2016(4)	02/21/2012	750,000	—	$ 1.44	05/09/2026
	06/05/2020(5)	06/05/2020	9,375	65,625	$ 1.87	06/05/2030
Svai Sanford	01/08/2019(4)	11/05/2018	117,187	107,813	$ 2.18	01/08/2029
	09/17/2019(5)	09/17/2019	23,437	51,563	$ 2.29	09/17/2029
	06/05/2020(5)	06/05/2020	5,000	35,000	$ 1.87	06/05/2030

(1) Represent Profits Interests that vest based on satisfaction of a service-based vesting condition, which will accelerate and vest concurrently with the effectiveness of this offering as described below in the subsection "Actions Taken in Connection with This Offering—Acceleration of Profits Interests Grants."

(2) Reflects the Profits Interests threshold amount.
(3) Mir Imran resigned from his position as President and Chief Executive Officer in June 2021.
(4) 25% of the Profits Interests vest on the one-year anniversary of the vesting commencement date and 1/48th of the Profits Interests vest on each monthly anniversary of the vesting commencement date thereafter, provided the holder remains a service provider to the Company on each applicable vesting date.
(5) 1/48th of the Profits Interests vest on each monthly anniversary of the vesting commencement date over four years, provided the holder remains a service provider to the Company on each applicable vesting date.

Actions Taken in Connection with This Offering

Acceleration of Profits Interests

In connection with this offering, we expect the vesting of Profits Interests granted prior to December 31, 2020 and granted in February 2021 to existing service providers, including those held by our named executive officers, to be accelerated in full concurrent with the effectiveness of this offering, subject to the holder's continued status as a service provider through the date of effectiveness of this offering. See the "Outstanding Equity Awards at Fiscal Year-End" table above for additional details regarding the Profits Interests subject to vesting that are held by our Named Executive Officers.

New Employment Agreements

In June 2021, and in connection with this offering, our affiliate, Rani Management Services, Inc. (RMS), entered into new employment agreements with each of Mr. Imran, Dr. Hashim and Mr. Sanford. The agreements generally provide for at-will employment and set forth the executive officer's base salary, target bonus, and eligibility for employee benefits. Under the new agreements, effective as of June 17, 2021, each of Mr. Imran's and Mr. Sanford's annual base salary was increased to $500,000 and $400,000, respectively. Dr. Hashim's annual base salary remained $400,000. In addition, the target bonus for each of Mr. Imran, Dr. Hashim and Mr. Sanford will be up to 75% of their respective base salaries. Mr. Sanford's agreement also provides that if his employment terminates without cause (as defined in his agreement) prior to the closing of this offering and the effectiveness of the Severance Plan (as described below), and if he executes a severance agreement and release satisfactory to RMS, he is entitled to receive (i) continued payment of his base salary for six months after such termination, (ii) reimbursement for the cost of acquiring group health insurance for six months after such termination and (iii) continued vesting the Profits Interests granted to him through February 2021 for six months after such termination.

Severance and Change in Control Plan

Effective in connection with this offering, each of our executive officers will become eligible to receive benefits under the terms of our Severance and Change in Control Plan adopted by the board of directors on June 17, 2021, or the Severance Plan. Mir Imran will not participate in the Severance Plan.

The Severance Plan provides for severance and change in control benefits to the executive officers upon (i) a "change in control termination" or (ii) a "regular termination" (each as described below). Upon a change in control termination, each of our executive officers is entitled to a lump sum payment equal to a portion of his base salary (18 months for Mr. Imran and 12 months for each of Dr. Hashim and Mr. Sanford), a lump sum payment equal to 150% (for Mr. Imran) or 100% (for each of Dr. Hashim and Mr. Sanford) of his annual target cash bonus, payment of group health insurance premiums for a period of 18 months (for Mr. Imran) and 12 months (for each of Dr. Hashim and Mr. Sanford) and accelerated vesting of outstanding time-vesting equity awards. Upon a regular termination, each of our executive officers is entitled to continued payment of his base salary for a period 12 months (for Mr. Imran) and nine months (for each of Dr. Hashim and Mr. Sanford) and payment of group health insurance premiums for a period of 12 months (for Mr. Imran) and nine months (for each of Dr. Hashim and Mr. Sanford). All severance benefits under the Severance Plan are subject to the executive officer's execution of an effective release of claims against us.

For purposes of the Severance Plan, a "regular termination" is an involuntary termination (i.e., a termination without "cause" (and not as a result of death or disability) or a resignation for "good reason," each as defined in the Severance Plan) that does not occur during the period of time beginning three months prior to, and ending 12 months following, a "change in control" (as defined in the 2021 Plan), or the "change in control period." A "change in control termination" is a regular termination that occurs during the change in control period.

Option Awards

On June 17, 2021, and in connection with this offering, each of our executive officers was granted an option to purchase common units under the 2016 Plan. Each option has an exercise price per unit equal to $4.99, which was the per-unit fair market value of the underlying common units on the date of grant. Mr. Imran, Dr. Hashim and Mr. Sanford were granted options to purchase 149,309, 400,000 and 400,000 of our common units, respectively, with one-forty-eighth of the common units subject to each option vesting on a monthly basis over four years from the date of grant, subject to the executive officer's continuous service with us on each applicable vesting date. Mir Imran did not receive an option award.

Employee Benefit and Stock Plans

2021 Equity Incentive Plan

Our board of directors adopted the Rani Therapeutics Holdings, Inc. 2021 Equity Incentive Plan, or the 2021 Plan, in 2021, and our stockholders approved the 2021 Plan in 2021. The 2021 Plan will become effective upon the execution of the underwriting agreement for this offering. Once the 2021 Plan becomes effective, no further grants will be made under the 2016 Plan.

Types of Awards. Our 2021 Plan provides for the grant of incentive stock options, or ISOs, nonstatutory stock options, or NSOs, stock appreciation rights, restricted stock awards, restricted stock unit awards, performance-based awards and other awards for shares of Rani Holdings Class A common stock, or collectively, awards. ISOs may be granted only to employees, of Rani Holdings, employees of a "parent corporation" of Rani Holdings or employees of a "subsidiary corporation" of Rani Holdings (as such terms are defined in Sections 424 of the Code). Because of our organizational structure, we currently do not anticipate that any ISOs will be granted under the 2021 Plan. All other awards may be granted to our employees, including our officers, our non-employee directors and consultants and the employees and consultants of our affiliates.

Authorized Shares. The maximum number of shares of Class A common stock that may be issued under our 2021 Plan is shares. The number of shares of Class A common stock reserved for issuance under our 2021 Plan will automatically increase on January 1 of each year, beginning on January 1, 2022, and continuing through and including January 1, 2031, by % of the aggregate number of shares of Class A common stock of all classes issued and outstanding on December 31 of the immediately preceding calendar year, or a lesser number of shares determined by our board of directors prior to the applicable January 1. The maximum number of shares that may be issued upon the exercise of ISOs under our 2021 Plan is shares.

Shares issued under our 2021 Plan will be authorized but unissued or reacquired shares of Class A common stock. Shares subject to awards granted under our 2021 Plan that expire or terminate without being exercised in full, or that are paid out in cash rather than in shares, will not reduce the number of shares available for issuance under our 2021 Plan. Additionally, shares issued pursuant to awards under our 2021 Plan that we repurchase or that are forfeited, as well as shares used to pay the exercise price of an award or to satisfy the tax withholding obligations to an award, will become available for future grant under our 2021 Plan.

The maximum number of shares of Class A common stock subject to stock awards granted under the 2021 Plan or otherwise during any calendar year beginning in 2022 to any non-employee director, taken together with any cash fees paid by us to such non-employee director during such calendar year for service on the board

of directors, will not exceed $750,000 in total value (calculating the value of any such stock awards based on the grant date fair value of such stock awards for financial reporting purposes), or, with respect to the calendar year in which a non-employee director is first appointed or elected to our board of directors, $1,000,000.

Plan Administration. Our board of directors, or a duly authorized committee of our board, may administer our 2021 Plan. Our board of directors has delegated concurrent authority to administer our 2021 Plan to the compensation committee under the terms of the compensation committee's charter. We sometimes refer to the board of directors, or the applicable committee with the power to administer our equity incentive plans, as the administrator. The administrator may also delegate to one or more of our officers the authority to (1) designate employees (other than officers) to receive specified awards, and (2) determine the number of shares subject to such awards.

The administrator has the authority to determine the terms of awards, including recipients, the exercise, purchase or strike price of awards, if any, the number of shares subject to each award, the fair market value of a share of common stock, the vesting schedule applicable to the awards, together with any vesting acceleration, and the form of consideration, if any, payable upon exercise or settlement of the award and the terms of the award agreements for use under our 2021 Plan.

In addition, subject to the terms of the 2021 Plan, the administrator also has the power to modify outstanding awards under our 2021 Plan, including the authority to reprice any outstanding option or stock appreciation right, cancel and re-grant any outstanding option or stock appreciation right in exchange for new stock awards, cash or other consideration, or take any other action that is treated as a repricing under generally accepted accounting principles, with the consent of any materially adversely affected participant.

Stock Options. ISOs and NSOs are granted pursuant to stock option agreements adopted by the administrator. The administrator determines the exercise price for a stock option, within the terms and conditions of the 2021 Plan, provided that the exercise price of a stock option generally cannot be less than 100% of the fair market value of our Class A common stock on the date of grant. Options granted under the 2021 Plan vest at the rate specified in the stock option agreement as specified in the stock option agreement by the administrator.

The administrator determines the term of stock options granted under the 2021 Plan, up to a maximum of ten years. Unless the terms of an optionholder's stock option agreement provide otherwise, if an optionholder's service relationship with us, or any of our affiliates, ceases for any reason other than disability, death or cause, the optionholder may generally exercise any vested options for a period of three months following the cessation of service. The option term may be extended in the event that either an exercise of the option or an immediate sale of shares acquired upon exercise of the option following such a termination of service is prohibited by applicable securities laws or our insider trading policy. If an optionholder's service relationship with us or any of our affiliates ceases due to disability or death, or an optionholder dies within a certain period following cessation of service, the optionholder or a beneficiary may generally exercise any vested options for a period of 12 months in the event of disability and 18 months in the event of death. In the event of a termination for cause, options generally terminate immediately upon the termination of the individual for cause. In no event may an option be exercised beyond the expiration of its term.

Acceptable consideration for the purchase of Class A common stock issued upon the exercise of a stock option will be determined by the administrator and may include (1) cash, check, bank draft or money order, (2) a broker-assisted cashless exercise, (3) the tender of shares of common stock previously owned by the optionholder, (4) a net exercise of the option if it is an NSO and (5) other legal consideration approved by the administrator.

Options may not be transferred to third-party financial institutions for value. Unless the administrator provides otherwise, options generally are not transferable except by will, the laws of descent and distribution or pursuant to a domestic relations order. An optionholder may designate a beneficiary, however, who may exercise the option following the optionholder's death.

Tax Limitations on ISOs. The aggregate fair market value, determined at the time of grant, of common stock with respect to ISOs that are exercisable for the first time by an option holder during any calendar year under all of our stock plans may not exceed $100,000. Options or portions thereof that exceed such limit will be treated as NSOs. No ISOs may be granted to any person who, at the time of the grant, owns or is deemed to own stock possessing more than 10% of our total combined voting power or that of any of our parent or subsidiary corporations, unless (1) the option exercise price is at least 110% of the fair market value of the stock subject to the option on the date of grant and (2) the term of the ISO does not exceed five years from the date of grant.

Restricted Stock Awards. Restricted stock awards are granted pursuant to restricted stock award agreements adopted by the administrator. Restricted stock awards may be granted in consideration for cash, check, bank draft or money order, services rendered to us or our affiliates or any other form of legal consideration. Class A common stock acquired under a restricted stock award may, but need not, be subject to a share repurchase option in our favor in accordance with a vesting schedule to be determined by the administrator. A restricted stock award may be transferred only upon such terms and conditions as set by the administrator. Except as otherwise provided in the applicable award agreement, restricted stock awards that have not vested may be forfeited or repurchased by us upon the participant's cessation of continuous service for any reason.

Restricted Stock Unit Awards. Restricted stock unit awards are granted pursuant to restricted stock unit award agreements adopted by the administrator. Restricted stock unit awards may be granted in consideration for any form of legal consideration. A restricted stock unit award may be settled by cash, delivery of stock, a combination of cash and stock as deemed appropriate by the administrator or in any other form of consideration set forth in the restricted stock unit award agreement. Additionally, dividend equivalents may be credited in respect of shares covered by a restricted stock unit award. Except as otherwise provided in the applicable award agreement, restricted stock units that have not vested will be forfeited upon the participant's cessation of continuous service for any reason.

Stock Appreciation Rights. Stock appreciation rights are granted pursuant to stock appreciation right grant agreements adopted by the administrator. The administrator determines the strike price for a stock appreciation right, which generally cannot be less than 100% of the fair market value of Class A common stock on the date of grant. Upon the exercise of a stock appreciation right, we will pay the participant an amount equal to the product of (1) the excess of the per share fair market value of common stock on the date of exercise over the strike price, multiplied by (2) the number of shares of Class A common stock with respect to which the stock appreciation right is exercised. A stock appreciation right granted under the 2021 Plan vests at the rate specified in the stock appreciation right agreement as determined by the administrator.

The administrator determines the term of stock appreciation rights granted under the 2021 Plan, up to a maximum of ten years. Unless the terms of a participant's stock appreciation right agreement provide otherwise, if a participant's service relationship with us or any of our affiliates ceases for any reason other than cause, disability or death, the participant may generally exercise any vested stock appreciation right for a period of three months following the cessation of service. The stock appreciation right term may be further extended in the event that exercise of the stock appreciation right following such a termination of service is prohibited by applicable securities laws. If a participant's service relationship with us, or any of our affiliates, ceases due to disability or death, or a participant dies within a certain period following cessation of service, the participant or a beneficiary may generally exercise any vested stock appreciation right for a period of 12 months in the event of disability and 18 months in the event of death. In the event of a termination for cause, stock appreciation rights generally terminate immediately upon the occurrence of the event giving rise to the termination of the individual for cause. In no event may a stock appreciation right be exercised beyond the expiration of its term.

Performance Awards. Our 2021 Plan permits the grant of performance-based stock and cash awards. The compensation committee can structure such awards so that the stock or cash will be issued or paid pursuant to such award only following the achievement of certain pre-established performance goals during a designated performance period. Performance awards that are settled in cash or other property are not required to be valued in whole or in part by reference to, or otherwise based on, the Class A common stock.

The performance goals may be based on any measure of performance selected by the board of directors. The compensation committee may establish performance goals on a company-wide basis, with respect to one or more business units, divisions, affiliates or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. Unless specified otherwise (i) in the award agreement at the time the award is granted or (ii) in such other document setting forth the performance goals at the time the goals are established, the compensation committee will appropriately make adjustments in the method of calculating the attainment of the performance goals as follows: (1) to exclude restructuring and/or other nonrecurring charges; (2) to exclude exchange rate effects; (3) to exclude the effects of changes to generally accepted accounting principles; (4) to exclude the effects of any statutory adjustments to corporate tax rates; (5) to exclude the effects of items that are "unusual" in nature or occur "infrequently" as determined under generally accepted accounting principles; (6) to exclude the dilutive effects of acquisitions or joint ventures; (7) to assume that any business divested by us achieved performance objectives at targeted levels during the balance of a performance period following such divestiture; (8) to exclude the effect of any change in the outstanding shares of Class A common stock by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other similar corporate change, or any distributions to common stockholders other than regular cash dividends; (9) to exclude the effects of stock-based compensation and the award of bonuses under our bonus plans; (10) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to be expensed under generally accepted accounting principles and (11) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally accepted accounting principles.

Other Awards. The administrator may grant other awards based in whole or in part by reference to common stock. The administrator will set the number of shares under the award and all other terms and conditions of such awards.

Changes to Capital Structure. In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split or recapitalization, appropriate adjustments will be made to (1) the class and maximum number of shares reserved for issuance under the 2021 Plan; (2) the class and maximum number of shares by which the share reserve may increase automatically each year; (3) the class and maximum number of shares that may be issued upon the exercise of ISOs and (4) the class and number of shares and exercise price, strike price, or purchase price, if applicable, of all outstanding awards.

Corporate Transactions. The following applies to stock awards under the 2021 Plan in the event of a corporate transaction, unless otherwise provided in a participant's stock award agreement or other written agreement with us or one of our affiliates or unless otherwise expressly provided by the administrator at the time of grant. Under the 2021 Plan, a corporate transaction is generally the consummation of (1) a sale or other disposition of all or substantially all of our assets, (2) a sale or other disposition of at least 50% of our outstanding securities, (3) a merger, consolidation or similar transaction following which we are not the surviving corporation or (4) a merger, consolidation or similar transaction following which we are the surviving corporation but the shares of common stock outstanding immediately prior to such transaction are converted or exchanged into other property by virtue of the transaction.

In the event of a corporate transaction, any stock awards outstanding under the 2021 Plan may be assumed, continued or substituted for by any surviving or acquiring corporation (or its parent company), and any reacquisition or repurchase rights held by us with respect to the stock award may be assigned to the successor (or its parent company). If the surviving or acquiring corporation (or its parent company) does not assume, continue or substitute for such stock awards, then (i) with respect to any such stock awards that are held by participants whose continuous service has not terminated prior to the effective time of the corporate transaction, or current participants, the vesting (and exercisability, if applicable) of such stock awards will be accelerated in full to a date prior to the effective time of the corporate transaction (contingent upon the effectiveness of the corporate transaction), and such stock awards will terminate if not exercised (if applicable) at or prior to the effective time of the corporate transaction, and any reacquisition or repurchase rights held by us with respect to such stock

awards will lapse (contingent upon the effectiveness of the corporate transaction), and (ii) any such stock awards that are held by persons other than current participants will terminate if not exercised (if applicable) prior to the effective time of the corporate transaction, except that any reacquisition or repurchase rights held by us with respect to such stock awards will not terminate and may continue to be exercised notwithstanding the corporate transaction. In addition, the plan administrator may also provide, in its sole discretion, that the holder of a stock award that will terminate upon the occurrence of a corporate transaction if not previously exercised will receive a payment, if any, equal to the excess of the value of the property the participant would have received upon exercise of the stock award over the exercise price otherwise payable in connection with the stock award.

A stock award may be subject to additional acceleration of vesting and exercisability upon or after a change in control as may be provided in an applicable award agreement or other written agreement, but in the absence of such provision, no such acceleration will occur.

Transferability. A participant may not transfer awards under our 2021 Plan other than by will, the laws of descent and distribution or as otherwise provided under our 2021 Plan.

Plan Amendment or Termination. Our board has the authority to amend, suspend or terminate our 2021 Plan, provided that such action does not materially impair the existing rights of any participant without such participant's written consent. Certain material amendments also require the approval of our stockholders. No ISOs may be granted after the tenth anniversary of the date our board adopted our 2021 Plan. No awards may be granted under our 2021 Plan while it is suspended or after it is terminated.

2016 Equity Incentive Plan

Our board adopted the Rani Therapeutics, LLC 2016 Plan in May 2016, or 2016 Plan, and our members adopted the 2016 Plan in March 2016. The 2016 Plan provides for the grant of options to purchase common units, Profits Interests awards, and restricted common units to our managers, consultants and other individuals who provides services to or for the benefit of the Company. The 2016 Plan will be terminated on the date the 2021 Plan becomes effective. However, any outstanding awards granted under the 2016 Plan will remain outstanding, subject to the terms of our 2016 Plan and award agreements.

Authorized Units. Upon the effective date of the 2021 Plan, we will no longer grant awards under our 2016 Plan. As of June 17, 2021, 8,726,483 Profits Interests were outstanding, and 2,123,517 common units remained available for future issuance under our 2016 Plan. As of March 31, 2021, no options to purchase common units or restricted common units were outstanding under our 2016 Plan.

Plan Administration. Our board or a duly authorized committee of our board administers our 2016 Plan. The administrator has the power to modify or amend outstanding awards under our 2016 Plan, to prescribe, amend and rescind rules and regulations relating to the 2016 Plan, to construe and interpret the terms of the 2016 Plan and awards granted thereunder and to make all other determinations deemed necessary or advisable for administering the 2016 Plan. The administrator's powers include the power to institute an exchange program (without the approval of our members) under which (i) outstanding awards are surrendered or cancelled in exchange for awards of the same type (which may have higher or lower exercise prices and different terms), awards of a different type and/or cash, (ii) participants would have the opportunity to transfer any outstanding awards to a financial institution or other person or entity selected by the administrator and/or (iii) the exercise price of an outstanding award is increased or reduced. The administrator's decisions are final and binding on all participants and any other persons holding awards.

Profits Interests Awards. We have granted Profits Interests to our service providers under our 2016 Plan. Subject to the provisions of our 2016 Plan, the administrator determines the vesting terms of the Profits Interests, the number of common units subject to the award, and Profits Interests threshold amount. The common units underlying each Profits Interests award entitles the holder, upon a sale or other specified capital transaction (in each case as set forth in our Amended and Restated Operating Agreement), to participate in a portion of the

profits and appreciation in the equity value of the Company arising after the date of grant, as determined in reference to the Profits Interests threshold amount set forth in each award agreement. The Profits Interests are intended to qualify as partnership Profits Interests for U.S. federal income tax purposes.

Option Awards. The administrator determines the term of option to purchase common units granted under our 2016 Plan, up to a maximum of ten years. The administrator also determines the vesting schedule and the exercise price for an option, within the terms and conditions of our 2016 Plan, provided that the exercise price of an option cannot be less than 100% of the fair market value of a common unit on the date of grant. Unless the terms of an optionholder's option agreement provide otherwise, if an optionholder's service relationship with us, ceases for any reason other than death or disability, the optionholder may generally exercise any vested options for a period of 30 days following the cessation of service. If an optionholder's service relationship with us ceases due to death or disability, the optionholder or a beneficiary may generally exercise any vested options for a period of six months following the cessation of service. In no event may an option be exercised beyond the expiration of its term.

Transferability. Unless determined otherwise by the administrator, awards may not be sold, transferred, pledged, assigned, hypothecated or otherwise transferred in any manner other than by will or by the laws of descent and distribution. In addition, during an applicable participant's lifetime, only that participant may exercise their award. If the administrator makes an award transferable, such award may only be transferred (i) by will, (ii) by the laws of descent and distribution, or (iii) as permitted by Rule 701 of the Securities Act.

Trigger Event. Subject to the provisions of the merger, reorganization or other agreement setting forth the terms of a direct exchange, merger or other reorganization transaction, upon a trigger event, as defined in our 2016 Plan, all awards granted under the 2016 Plan will be exchanged for or converted into, in such transaction, options to acquire shares of the resulting corporation's common stock of which the base amount on which compensation is measured is determined by reference to the value of the resulting corporation's common stock with terms substantially equivalent to the terms of the options, as the case may be, they are intended to replace.

Certain adjustments. In the event of any split, reverse split, dividend, recapitalization, combination, reclassification, reorganization, merger, consolidation, split-up, spin-off, repurchase, exchange of common units or other securities of the Company, other distribution of common units or other securities of the Company without the receipt of consideration by the Company, or other change in the corporate structure of the Company affecting the common units occurs, the administrator, in order to prevent diminution or enlargement of the benefits or potential benefits intended to be made available under the 2016 Plan, will adjust the number and class of common units that may be delivered under the 2016 Plan and/or the number, class, and price of common units covered by each outstanding award.

Merger or Liquidation Event. Our 2016 Plan provides that in the event of a merger or liquidation event, as defined under our 2016 Plan, awards shall be subject to the agreement governing the merger or liquidation event, which shall provide for one or more of the following: (1) the continuation of such outstanding awards by the Company (if the Company is the surviving entity); (2) the assumption or substitution of substantially equivalent awards by the acquiring or succeeding corporation with appropriate adjustments to the number and kind of equity interests and prices; (3) the full or partial vesting of unvested awards, or the full or partial cancellation of unvested awards without consideration, in each case upon the closing of the merger or liquidation event; (4) the cancellation or redemption of outstanding awards in exchange for a payment, if any, equal to the amount that would have been attained upon the exercise of such award or realization of the participant rights as of the date of the occurrence of the transaction (such payment may be made in the form of cash, cash equivalents, or securities of the surviving entity and may be subject to vesting based on the participant's continuing service, provided that the vesting schedule shall not be less favorable to the participant than the schedule under which such award would have otherwise vested); or (5) amounts of cash or other consideration from a sale of assets of the Company constituting a liquidity event otherwise distributable to a common unit holder shall be reduced by the Profits Interests threshold amount attributable to each Profits Interests receiving such distribution.

Plan Amendment or Termination. Our board has the authority to amend, suspend or terminate our 2016 Plan at any time. No amendment, alteration, suspension or termination of our 2016 Plan will impair the rights of a participant, unless mutually agreed otherwise between the participant and the administrator in writing. As noted above, it is expected that, prior to the effectiveness of the registration statement of which this prospectus forms a part, our 2016 Plan will be terminated, and we will not grant any additional awards under our 2016 Plan thereafter.

2021 Employee Stock Purchase Plan

Our board of directors adopted the ESPP, in 2021, and our stockholders adopted the ESPP in 2021. The ESPP will become effective upon the execution of the underwriting agreement for this offering. The purpose of the ESPP is to secure the services of new employees, to retain the services of existing employees and to provide incentives for such individuals to exert maximum efforts toward our success and that of our affiliates. The ESPP includes two components. One component is designed to allow our eligible employees to purchase Class A common stock in a manner that may qualify for favorable tax treatment under Section 423 of the Internal Revenue Code, or the 423 component. In addition, purchase rights may be granted under a component that does not qualify for such favorable tax treatment, or the non-423 component. Because of our organizational structure, we currently anticipate that any benefits offered to eligible employees would be offered under the non-423 component of the ESPP.

Authorized Shares. The maximum aggregate number of shares of Class A common stock that may be issued under our ESPP is shares. The number of shares of Class A common stock reserved for issuance under our ESPP will automatically increase on January 1 of each calendar year, beginning on January 1, 2022 and continuing through and including January 1, 2031, by the lesser of (1) % of the aggregate number of shares of Class A common stock of all classes issued and outstanding on December 31 of the preceding calendar year, (2) shares and (3) a number of shares determined by our board. Shares subject to purchase rights granted under our ESPP that terminate without having been exercised in full will not reduce the number of shares available for issuance under our ESPP.

Plan Administration. Our board, or a duly authorized committee thereof, will administer our ESPP. Our board has delegated concurrent authority to administer our ESPP to the compensation committee under the terms of the compensation committee's charter. The ESPP is implemented through a series of offerings with specific terms approved by the administrator and under which eligible employees are granted purchase rights to purchase shares of Class A common stock on specified dates during such offerings. Under the ESPP, we may specify offerings with durations of not more than 27 months, and may specify shorter purchase periods within each offering. Each offering will have one or more purchase dates on which shares of common stock will be purchased for our eligible employees participating in the offering. An offering under the ESPP may be terminated under certain circumstances.

Payroll Deductions. Generally, all regular employees, including executive officers, employed by us or by any of our designated affiliates, may participate in the ESPP and may contribute, normally through payroll deductions, with a maximum dollar amount as designated by the board. Unless otherwise determined by the administrator, Class A common stock will be purchased for the accounts of employees participating in the ESPP at a price per share equal to the lower of (a) 85% of the fair market value of a share of Class A common stock on the first date of an offering or (b) 85% of the fair market value of a share of Class A common stock on the date of purchase. For the initial offering, which we expect will commence upon the execution and delivery of the underwriting agreement relating to this offering, the fair market value on the first day of the initial offering will be the price at which shares are first sold to the public.

Limitations. Our employees, including executive officers, or any of our designated affiliates may have to satisfy one or more of the following service requirements before participating in our ESPP, as determined by the administrator: (1) customary employment with us or one of our affiliates for more than 20 hours per week and more than five months per calendar year, or (2) continuous employment with us or one of our affiliates for a minimum period of time, not to exceed two years, prior to the first date of an offering. Under the 423 component,

an employee may not be granted rights to purchase stock under our ESPP if such employee (1) immediately after the grant would own stock possessing 5% or more of the total combined voting power or value of Class A common stock, or (2) holds rights to purchase stock under our ESPP that would accrue at a rate that exceeds $25,000 worth of our stock for each calendar year that the rights remain outstanding.

Changes to Capital Structure. In the event that there occurs a change in our capital structure through such actions as a stock split, merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or similar transaction, the board of directors will make appropriate adjustments to (1) the number of shares reserved under the ESPP, (2) the maximum number of shares by which the share reserve may increase automatically each year, (3) the number of shares and purchase price of all outstanding purchase rights and (4) the number of shares that are subject to purchase limits under ongoing offerings.

Corporate Transactions. In the event of certain corporate transactions, including: (1) a sale of all or substantially all of our assets, (2) the sale or disposition of 50% of our outstanding securities, (3) the consummation of a merger or consolidation where we do not survive the transaction, and (4) the consummation of a merger or consolidation where we do survive the transaction but the shares of our Class A common stock outstanding immediately before such transaction are converted or exchanged into other property by virtue of the transaction, any then-outstanding rights to purchase our stock under the ESPP may be assumed, continued or substituted for by any surviving or acquiring entity (or its parent company). If the surviving or acquiring entity (or its parent company) elects not to assume, continue or substitute for such purchase rights, then the participants' accumulated payroll contributions will be used to purchase shares of Class A common stock within 10 business days (or such other period specified by the board) prior to such corporate transaction, and such purchase rights will terminate immediately.

Under the ESPP, a corporate transaction is generally the consummation of: (1) a sale of all or substantially all of our assets, (2) the sale or disposition of more than 50% of our outstanding securities, (3) a merger or consolidation where we do not survive the transaction, and (4) a merger or consolidation where we do survive the transaction but the shares of our Class A common stock outstanding immediately before such transaction are converted or exchanged into other property by virtue of the transaction.

ESPP Amendment or Termination. The administrator has the authority to amend or terminate our ESPP, provided that except in certain circumstances such amendment or termination may not materially impair any outstanding purchase rights without the holder's consent. We will obtain stockholder approval of any amendment to our ESPP as required by applicable law or listing requirements.

401(k) Plan

Our eligible employees are permitted to participate in the ICL 401(k) Plan, or the 401(k) Plan, and we will continue to offer a 401(k) plan after the closing of this offering. Participation in the 401(k) Plan is offered for the benefit of our employees, including our named executive officers, who satisfy certain eligibility requirements. Under the 401(k) Plan, eligible employees may elect to defer a portion of their compensation, within the limits prescribed by the Code, on a pre-tax or after-tax (Roth) basis, through contributions to the 401(k) Plan. The 401(k) Plan authorizes discretionary matching employer contributions. The 401(k) Plan is intended to qualify under Sections 401(a) and 501(a) of the Code. As a tax-qualified retirement plan, pre-tax contributions to the 401(k) Plan and earnings on those pre-tax contributions are not taxable to the employees until distributed from the 401(k) Plan, and earnings on Roth contributions are not taxable when distributed from the 401(k) Plan if certain conditions are satisfied.

Rule 10b5-1 Sales Plans

Our directors and executive officers may adopt written plans, known as Rule 10b5-1 plans, in which they will contract with a broker to buy or sell shares of our Class A common stock on a periodic basis. Under a

Rule 10b5-1 plan, a broker executes trades pursuant to parameters established by the director or executive officer when entering into the plan, without further direction from them. The director or executive officer may amend a Rule 10b5-1 plan in some circumstances and may terminate a plan at any time. Our directors and executive officers also may buy or sell additional shares outside of a Rule 10b5-1 plan when they are not in possession of material nonpublic information subject to compliance with the terms of our insider trading policy. Without the prior written consent of the representatives of the underwriters, prior to the day following the 180th day after the date of this offering, the sale of any shares under such plan would be subject to the lock-up agreement that the director or executive officer has entered into with the underwriters.

Limitation of Liability and Indemnification of Directors and Officers

Our amended and restated certificate of incorporation and our amended and restated bylaws, which will each be in effect immediately prior to the closing of this offering, will provide that we will indemnify our directors and officers, and may indemnify our employees and other agents, to the fullest extent permitted by Delaware law. Delaware law prohibits our amended and restated certificate of incorporation from limiting the liability of our directors for the following:

- any breach of the director's duty of loyalty to us or to our stockholders;
- acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- unlawful payment of dividends or unlawful stock repurchases or redemptions; and
- any transaction from which the director derived an improper personal benefit.

If Delaware law is amended to authorize corporate action further eliminating or limiting the personal liability of a director, then the liability of our directors will be eliminated or limited to the fullest extent permitted by Delaware law, as so amended. Such limitation of liability does not apply to liabilities arising under federal securities laws and does not affect the availability of equitable remedies such as injunctive relief or rescission. This provision also does not affect a director's responsibilities under any other laws, such as the federal securities laws or other state or federal laws. Under our amended and restated bylaws, we will also be empowered to purchase insurance on behalf of any person whom we are required or permitted to indemnify.

We have entered and expect to continue to enter into agreements to indemnify our directors and executive officers. With certain exceptions, these agreements provide for indemnification for related expenses, including attorneys' fees, judgments, fines and settlement amounts incurred by any of these individuals in connection with any action, proceeding or investigation. We believe that these charter and bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers.

The limitation of liability and indemnification provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duties. They may also reduce the likelihood of derivative litigation against directors and officers, even though an action, if successful, might benefit us and our stockholders. Moreover, a stockholder's investment may be harmed to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers, and controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that, in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act, and is, therefore, unenforceable. There is no pending litigation or proceeding naming any of our directors or officers as to which indemnification is being sought, nor are we aware of any pending or threatened litigation that may result in claims for indemnification by any director or officer.

CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

The following is a summary of transactions since January 1, 2018, to which we have been a participant in which the amount involved exceeded or will exceed the lesser of $120,000 or 1% of the average of our total assets as of December 31, 2019 and 2020, and in which any of our directors, executive officers or holders of more than 5% of our capital stock, or any member of the immediate family of the foregoing persons, had or will have a direct or indirect material interest, other than compensation arrangements which are described in the sections titled “Executive Compensation” and “Management—Non-Employee Director Compensation.”

Promissory Notes between Rani and InCube Labs, LLC

ICL holds more than 5% of our capital stock and is wholly-owned by Mir Imran and his family. Mir Imran is our Executive Chairman and former President and Chief Executive Officer, and is a Managing Member of ICL. From inception to December 31, 2017, we advanced funds to ICL for ICL to make payments directly to certain vendors on behalf of us and we have reimbursed ICL for all such payments at cost. During the year ended December 31, 2017, we converted the outstanding advances of approximately $6.6 million to ICL into notes receivable, or the ICL Notes. The ICL Notes accrued interest at a rate of 1.97% compounded annually, loan fees of 2.75%, and principal and accrued interest were due and payable on demand by us at any time after January 1, 2024. During 2019 and 2020, we received $1.0 million and $0.2 million, respectively, in payments for interest and repayment of principal on the ICL Notes. At December 31, 2019 and 2020, approximately $1.9 million and $1.7 million, respectively, of the ICL Notes were outstanding. In March 2021, the outstanding balance, including all accrued interest, was fully repaid by ICL.

Service Agreement between Rani and InCube Labs, LLC

We and ICL entered into a Service Agreement effective as of January 2019 whereby we agreed to pay fees in exchange for services provided by ICL. The services are related to occupancy, research and technology development, administrative services and other services including but not limited to intellectual property diligence and maintenance, general legal support, product and business development support services, public relations support, customer relations support and financing and investor relations.

In January 2020, the parties entered into Amendment No. 1 to Service Agreement whereby they amended the service rates for 2020. Effective January 2020, the ICL personnel that were substantially dedicated to providing services to the Company were hired by our wholly owned subsidiary RMS as full-time employees. The Service Agreement was again amended in June 2021, effective January 2021, to extend the term for an additional year and automatically renew annually for an additional year, unless terminated by ICL or us, While substantially all of our service providers are currently employed by RMS, we continuously evaluate the efficiency and efficacy of our employment strategy, whether it be to employ personnel through us, RMS or otherwise.

All of our facilities are owned by an entity affiliated with our Executive Chairman, who is also the owner of ICL. We pay for the use of these facilities through the Service Agreement.

The table below details the amounts charged by ICL for services and rent (in thousands):

	Year Ended December 31,		Three Months Ended March 31,	
	2019	2020	2020	2021
Research and development	$17,129	$ 535	$184	$ 33
General and administrative	3,308	1,826	244	182
Total	**$20,437**	**$2,361**	**$428**	**$215**

Intellectual Property Agreement and Exclusive License Agreement with InCube Labs, LLC

In June 2012, we entered into an Intellectual Property Agreement and an Exclusive License Agreement with ICL, which were each amended on June 2013, pursuant to which ICL assigned to us certain intellectual property made by ICL during the course of providing services to us that relates primarily to, or has application primarily within, the field of oral delivery of biotherapeutic agents such as peptides, proteins and antibodies and excluding swallowable devices that do not deliver such drugs, or the Field of Use. ICL also granted to us a fully-paid, royalty-free, sublicensable, exclusive license under the intellectual property made by ICL during the course of providing services to us that is useful in the Field of Use but does not relate primarily to, or have application primarily within, the Field of Use to make, have made, use, offer to sell, sell and import products and services that are covered by such intellectual property within the Field of Use.

In June 2021, we and ICL entered into an Amended and Restated Exclusive License Agreement, which replaced the 2012 Exclusive License Agreement as amended in 2013 and terminated the 2012 Intellectual Property Agreement as amended in June 2013. Under the Amended and Restated License Agreement, we will have a fully paid, exclusive license under certain scheduled patents to exploit products in the field of oral delivery of sensors, small molecule drugs or biologic drugs including, any peptide, antibody, protein, cell therapy, gene therapy or vaccine. We will cover patent-related expenses and, after a certain period, we will have the right to acquire four specified U.S. patent families from ICL by making a one-time payment of $250,000 to ICL for each U.S. patent family that the Company desires to acquire, up to $1.0 million in the aggregate. This payment will not become an obligation until the fifth anniversary of the Amended and Restated Exclusive License Agreement. The Amended and Restated Exclusive License Agreement will terminate when there are no remaining valid claims of the patents licensed under the Amended and Restated Exclusive License Agreement. Additionally, we may terminate the Amended and Restated Exclusive License Agreement in its entirety or as to any particular licensed patent upon notification to ICL of such intent to terminate.

Non-Exclusive License Agreement between Rani and InCube Labs, LLC

In June 2021, we entered into a Non-Exclusive License Agreement with ICL, pursuant to which we granted ICL a non-exclusive, fully-paid license under specified patents that were assigned from ICL to us to exploit products covered by such patents for all fields of use other than the field of oral delivery of sensors, small molecule drugs or biologic drugs including, any peptide, antibody, protein, cell therapy, gene therapy or vaccine. Additionally, we agreed not to license these patents to a third party in a specific field outside the field of oral delivery of sensors, small molecule drugs or biologic drugs including, any peptide, antibody, protein, cell therapy, gene therapy or vaccine, if ICL can prove that it or its sublicensee has been in active development of a product covered by such patents in that specific field. ICL may grant sublicenses under this license to third parties only with our prior approval which will not be unreasonably denied, conditioned or delayed. ICL may enforce the patents licensed under the Non-Exclusive License Agreement only with our consent which will not be unreasonably conditioned, delayed or denied.

The Non-Exclusive License Agreement will continue in perpetuity unless earlier terminated. The Non-Exclusive License Agreement will terminate when there are no remaining valid claims of the patents licensed under the Non-Exclusive License Agreement. Additionally, ICL may terminate the Non-Exclusive License Agreement in its entirety or as to any particular licensed patent upon notification to us of such intent to terminate.

Intellectual Property Agreement between Mir Imran and Rani

In June 2021, we entered into an Intellectual Property Agreement with Mir Imran, or the Mir Agreement, pursuant to which we and Mir Imran agreed that we would own all intellectual property conceived (a) using any of the Company’s people, equipment, or facilities or (b) that is within the field of oral delivery of sensors, small molecule drugs or biologic drugs including, any peptide, antibody, protein, cell therapy, gene therapy or vaccine. Neither the Company nor Mir Imran may assign the Mir Agreement to any third party without the prior written consent of the other party. The initial term of the Mir Agreement is three (3) years,

which can be extended upon mutual consent of the parties. The Mir Agreement may be terminated by either party for any reason within the initial three (3) year term upon providing three (3) months' notice to the other party.

Service Agreement between Rani Management Services, Inc. and InCube Labs, LLC

In June 2021, our affiliate, RMS, entered into a Service Agreement, effective as of January 2021, with ICL, or the RMS-ICL Service Agreement, pursuant to which ICL agreed to rent a specified portion of its facility to RMS for a monthly rent in the mid five figures. Additionally, RMS agreed to provide personnel services to ICL upon ICL's request and each party agreed to provide other specified services to the other upon request. Such services will be invoiced based on RMS's or ICL's hourly billing rate, as applicable. Except for intellectual property created by Mir Imran which will be owned pursuant to the Mir Agreement, each party will assign all intellectual property that it creates directly from performing services to the other party. Neither us nor ICL may assign the RMS-ICL Service Agreement without the other party's consent. The RMS-ICL Service Agreement will have a 12-month term and will automatically renew for successive 12-month periods unless terminated. Either we or ICL may terminate the RMS-ICL Service Agreement for convenience upon 6 months' notice to the other party or on 30 days' notice for the other party's material breach.

Warrants

In December 2020, we amended the terms of certain warrants to purchase Series B units, issued to InCube Ventures II, LP, or ICV II, a related party and entity affiliated with ICL, by extending its exercise period for an additional two years. In December 2020, ICV II elected to cashless exercise all of their Series B Warrants and we issued 51,341 Series B units. There were no Series B Warrants outstanding as of March 31, 2021.

Tax Receivable Agreement

We expect to obtain an increase in our share of the tax basis of the assets of Rani LLC when (as described below under " —Rani LLC Agreement—LLC Interest Redemption Right") the Continuing LLC Owners (a) redeem or exchange their LLC Interests for newly issued shares of our Class A common stock on a one-for-one basis (or, at our option, for cash) and (b) receive payments under the Tax Receivable Agreement (such basis increase, a " Basis Adjustment"). We intend to treat such redemptions or exchanges of LLC Interests as the direct purchase of LLC Interests by Rani Holdings from such Continuing LLC Owners for U.S. federal income and other applicable tax purposes, regardless of whether such LLC Interests are surrendered by such Continuing LLC Owners to Rani LLC for redemption or sold to Rani Holdings upon the exercise of our election to acquire such LLC Interests directly. A Basis Adjustment may have the effect of reducing the amounts that we would otherwise pay in the future to various tax authorities to the extent that we have positive taxable income in a future tax period that is offset by tax depreciation or amortization deductions arising from such Basis Adjustment. The Basis Adjustments may also decrease gains (or increase losses) on future dispositions of certain capital assets to the extent tax basis is allocated to those capital assets, which could also generate tax savings for us.

In connection with the Organizational Transactions described above, we will enter into the Tax Receivable Agreement with certain of the Continuing LLC Owners. The Tax Receivable Agreement will provide for our payment to certain of the Continuing LLC Owners of 85% of the amount of tax benefits, if any, that we are deemed to realize (calculated using certain assumptions) as a result of any Basis Adjustments and certain other tax benefits arising from payments under the Tax Receivable Agreement. Rani LLC will have in effect an election under Section 754 of the Code effective for each taxable year in which a redemption or exchange (including deemed exchange) of LLC Interests for shares of our Class A common stock or cash occurs. These Tax Receivable Agreement payments are not conditioned upon any continued ownership interest in either Rani LLC or us by such Continuing LLC Owners. The rights of such Continuing LLC Owners under the Tax Receivable Agreement are assignable to transferees of their LLC Interests (other than Rani Holdings as transferee pursuant to subsequent redemptions (or exchanges) of the transferred LLC Interests). We expect to benefit from the remaining 15% of tax benefits, if any, that we may realize. Actual tax benefits realized by us may differ from tax benefits calculated under the Tax Receivable Agreement as a result of the use of certain assumptions in the Tax Receivable Agreement, including the use of an assumed weighted-average state and local income tax rate to calculate tax benefits.

The Basis Adjustments, as well as any amounts paid to certain of the Continuing LLC Owners under the Tax Receivable Agreement, will vary depending on a number of factors, including:

- the timing of any subsequent redemptions or exchanges—for instance, the increase in any tax deductions will vary depending on the fair value, which may fluctuate over time, of the depreciable or amortizable assets of Rani LLC at the time of each redemption or exchange;

- the price of shares of our Class A common stock at the time of redemptions or exchanges—the Basis Adjustments, as well as any related increase in any tax deductions, are directly related to the price of shares of our Class A common stock at the time of each redemption or exchange;

- the extent to which such redemptions or exchanges are taxable—if a redemption or exchange is not taxable for any reason, increased tax deductions will not be available; and

- the amount and timing of our taxable income (prior to taking into account the tax depreciation or amortization deductions arising from the Basis Adjustments) —the Tax Receivable Agreement generally will require Rani Holdings to pay 85% of the tax benefits as and when those benefits are treated as realized under the terms of the Tax Receivable Agreement. Except as discussed below in cases of (i) a material breach of a material obligation under the Tax Receivable Agreement, (ii) a change of control or (iii) an early termination of the Tax Receivable Agreement, if Rani Holdings does not have taxable income, it will generally not be required to make payments under the Tax Receivable Agreement for that taxable year because no tax benefits will have been realized. However, any tax benefits that do not result in realized tax benefits in a given taxable year may generate tax attributes that may be utilized to generate tax benefits in future taxable years. The utilization of any such tax attributes will result in payments under the Tax Receivable Agreement.

For purposes of the Tax Receivable Agreement, cash savings in income tax will be computed by comparing Rani Holdings' actual income tax liability to the amount of such taxes that it would have been required to pay had there been no Basis Adjustments and had the Tax Receivable Agreement not been entered into. The Tax Receivable Agreement will generally apply to each of our taxable years, beginning with the first taxable year ending after the consummation of the offering. The actual and hypothetical tax liabilities determined in the Tax Receivable Agreement will be calculated using the actual U.S. federal income tax rate in effect for the applicable period and an assumed, weighted-average state and local income tax rate based on apportionment factors for the applicable period (along with the use of certain other assumptions). There is no maximum term for the Tax Receivable Agreement; however, the Tax Receivable Agreement may be terminated by us pursuant to an early termination procedure that requires us to pay certain of the Continuing LLC Owners an agreed upon amount equal to the estimated present value of the remaining payments to be made under the agreement (calculated based on certain assumptions, including regarding tax rates and utilization of the Basis Adjustments).

The payment obligations under the Tax Receivable Agreement are obligations of Rani Holdings and not of Rani LLC. Although the actual timing and amount of any payments that may be made under the Tax Receivable Agreement will vary, we expect that the payments that we may be required to make to certain of the Continuing LLC Owners could be significant. For example, if we acquired all of the LLC Interests of certain of the Continuing LLC Owners in taxable transactions as of this offering, based on an initial public offering price of $ per share (the midpoint of the estimated initial public offering price range set forth on the cover page of this prospectus) and on certain assumptions, including that (i) there are no material changes in relevant tax law and (ii) we earn sufficient taxable income in each year to realize on a current basis all tax benefits that are subject to the Tax Receivable Agreement, we expect that the resulting reduction in tax payments for us, as determined for purposes of the Tax Receivable Agreement, would aggregate to approximately $, substantially all of which would be realized over the next 15 years, and we would be required to pay certain of the Continuing LLC Owners 85% of such amount, or $, over the same period. The actual increases in tax basis with respect to future taxable redemptions, exchanges or purchases of LLC Interests, as well as the amount and timing

of any payments we are required to make under the Tax Receivable Agreement in respect of the acquisition of LLC Interests from certain of Continuing LLC Owners in connection with this offering or future taxable redemptions, exchanges or purchases of LLC Interests, may differ materially from the amounts set forth above because the potential future reductions in our tax payments, as determined for purposes of the Tax Receivable Agreement, and the payments we will be required to make under the Tax Receivable Agreement, will each depend on a number of factors, including the market value of our Class A common stock at the time of redemption or exchange, the prevailing federal tax rates applicable to us over the life of the Tax Receivable Agreement (as well as the assumed combined state and local tax rate), the amount and timing of the taxable income that we generate in the future and the extent to which future redemptions, exchanges or purchases of LLC Interests are taxable transactions. See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Source of Liquidity" for more information about expected payments under the Tax Receivable Agreement.

There may be a material negative effect on our liquidity if, as described below, the payments made by us to certain of the Continuing LLC Owners under the Tax Receivable Agreement exceed the actual benefits we receive in respect of the tax attributes subject to the Tax Receivable Agreement and/or distributions to us by Rani LLC are not sufficient to permit us to make payments under the Tax Receivable Agreement. To the extent that we are unable to make payments under the Tax Receivable Agreement for any reason, the unpaid amounts generally will be deferred and will accrue interest until paid by us. Decisions made by us in the course of running our business, such as with respect to mergers, asset sales, other forms of business combinations or other changes in control, may influence the timing and amount of payments that are received by certain of the Continuing LLC Owners under the Tax Receivable Agreement. For example, the earlier disposition of assets following a transaction that results in a Basis Adjustment will generally accelerate payments under the Tax Receivable Agreement and increase the present value of such payments.

In addition, although we are not aware of any issue that would cause the IRS to challenge the tax basis increases or other benefits arising under the Tax Receivable Agreement, the Continuing LLC Owners who are parties to the Tax Receivable Agreement will not reimburse us for any payments previously made if such tax basis increases or other tax benefits are subsequently disallowed, except that any excess payments made to the Continuing LLC Owners who are parties to the Tax Receivable Agreement will be netted against future payments otherwise to be made under the Tax Receivable Agreement, if any, after our determination of such excess. As a result, in such circumstances we could make payments to certain of the Continuing LLC Owners under the Tax Receivable Agreement that are greater than our actual cash tax savings and may not be able to recoup those payments, which could negatively impact our liquidity.

In addition, the Tax Receivable Agreement provides that, upon certain mergers, asset sales or other forms of business combination or certain other changes of control, our or our successor's obligations with respect to tax benefits would be based on certain assumptions, including that we or our successor would have sufficient taxable income to fully utilize the benefits arising from the increased tax deductions and tax basis and other benefits covered by the Tax Receivable Agreement. As a result, upon a change of control, we could be required to make payments under the Tax Receivable Agreement that are greater than or less than the specified percentage of our actual cash tax savings, which could negatively impact our liquidity.

This provision of the Tax Receivable Agreement may result in situations where certain of the Continuing LLC Owners have interests that differ from or are in addition to those of our other stockholders. In addition, we could be required to make payments under the Tax Receivable Agreement that are substantial and in excess of our, or a potential acquirer's, actual cash savings in income tax.

Finally, because we are a holding company with no operations of our own, our ability to make payments under the Tax Receivable Agreement is dependent on the ability of Rani LLC to make distributions to us. To the extent that we are unable to make payments under the Tax Receivable Agreement for any reason, such payments will be deferred and will accrue interest until paid.

Rani LLC Agreement

We will operate our business through Rani LLC and its subsidiary. In connection with the completion of this offering, we and the Continuing LLC Owners will enter into Rani LLC's fifth amended and restated limited liability company agreement, which we refer to as the "Rani LLC Agreement." The operations of Rani LLC, and the rights and obligations of the holders of LLC Interests, will be set forth in the Rani LLC Agreement.

Appointment as Manager

Under the Rani LLC Agreement, we will become a member and the sole manager of Rani LLC. As the sole manager, we will be able to control all of the day-to-day business affairs and decision-making of Rani LLC. As such, we, through our officers and directors, will be responsible for all operational and administrative decisions of Rani LLC and the day-to-day management of Rani LLC's business. Pursuant to the terms of the Rani LLC Agreement, we cannot, under any circumstances, be removed as the sole manager of Rani LLC except by our election.

Compensation

We will not be entitled to compensation for our services as manager. We will be entitled to reimbursement or capital contribution credit by Rani LLC for fees and expenses incurred on behalf of Rani LLC, including all expenses associated with this offering and maintaining our corporate existence.

Distributions

The Rani LLC Agreement will require "tax distributions" to be made by Rani LLC to its members, as that term is defined in the agreement. Tax distributions will be made to members on a pro rata basis, including us, in amounts intended to be sufficient to allow the members, including us, to pay taxes owed in respect of income allocated by Rani LLC and to allow us to meet our obligations under the Tax Receivable Agreement (as described above under " —Tax Receivable Agreement"). The Rani LLC Agreement will also allow for distributions to be made by Rani LLC to its members on a pro rata basis out of "distributable cash," as that term is defined in the agreement. We expect Rani LLC may make distributions out of distributable cash periodically to the extent permitted by our agreements governing our indebtedness and necessary to enable us to cover our operating expenses and other obligations, including our tax liability and obligations under the Tax Receivable Agreement, as well as to make dividend payments, if any, to the holders of our Class A common stock.

LLC Interest Redemption Right

The Rani LLC Agreement will provide a redemption right to the Continuing LLC Owners which will entitle them to have their LLC Interests redeemed, at their election (subject to the terms of the Rani LLC Agreement), for newly issued shares of our Class A common stock on a one-for-one basis (subject to customary adjustments, including for stock splits, stock dividends and reclassifications). Upon the exercise of the redemption right, the redeeming member will surrender its LLC Interests to Rani LLC for cancellation. The Rani LLC Agreement will require that we contribute shares of our Class A common stock to Rani LLC in exchange for an amount of newly issued LLC Interests in Rani LLC that will be issued to us equal to the number of LLC Interests redeemed from the Continuing LLC Owners. Rani LLC will then distribute the shares of our Class A common stock to the Continuing LLC Owners to complete the redemption. In the event of such a redemption election by Continuing LLC Owners, Rani Holdings may effect a direct exchange of Class A common stock or a cash payment equal to a volume weighted average market price of one share of Class A common stock for each such LLC Interest in lieu of such a redemption. Whether by redemption or exchange, we will be obligated to ensure that at all times the number of LLC Interests that we own equals the number of shares of Class A common stock issued by us (subject to certain exceptions for treasury shares and shares underlying certain convertible or exchangeable securities).

Indemnification

The Rani LLC Agreement will provide for indemnification of the manager, members and officers of Rani LLC and their respective subsidiaries or affiliates.

Investors' Rights Agreement

We are party to an investors' rights agreement, as amended, with certain holders of our units, including Rani Investment Corp., InCube Ventures II, L.P., VH Rani, LP and Biologix Partners, LP. Under our investors' rights agreement, certain holders of our units have the right to demand that we file a registration statement or request that their units be covered by a registration statement that we are otherwise filing. This agreement will terminate upon the closing of this offering.

Registration Rights Agreement

In connection with this offering, we intend to enter into a Registration Rights Agreement with the Continuing LLC Owners. The Registration Rights Agreement will provide the Continuing LLC Owners certain registration rights whereby, at any time following our initial public offering and the expiration of any related lock-up period, the Continuing LLC Owners can require us to register under the Securities Act shares of Class A common stock issuable to them upon, at our election, redemption or exchange of their LLC Interests, and the Former LLC Owners can require us to register under the Securities Act the shares of Class A common stock issued to them in connection with the Organizational Transactions. The Registration Rights Agreement will also provide for piggyback registration rights for the Continuing LLC Owners.

Indemnification Agreements

Our amended and restated certificate of incorporation, that will be in effect immediately prior to the closing of this offering, will contain provisions limiting the liability of the members of our board of directors, and our amended and restated bylaws, that will be in effect immediately prior to the closing of this offering, will provide that we will indemnify each of our officers and the members of our board of directors to the fullest extent permitted under Delaware law. Our amended and restated certificate of incorporation and amended and restated bylaws will also provide our board of directors with discretion to indemnify our employees and other agents when it determines to be appropriate. In addition, we have entered into or will enter into an indemnification agreement with each of our executive officers and the members of our board of directors requiring us to indemnify them. See the section titled "Executive Compensation—Limitation of Liability and Indemnification of Directors and Officers."

Directed Share Program

At our request, the underwriters have reserved for sale, at the initial public offering price, up to 5.0% of the shares of Class A common stock offered by this prospectus, excluding the additional shares of Class A common stock that the underwriters have a 30-day option to purchase, for sale to certain of our directors and officers and certain other parties related to us.

Related Person Transaction Policy

Our board of directors will adopt a related person transaction policy setting forth the policies and procedures for the identification, review and approval or ratification of related person transactions. This policy covers, with certain exceptions set forth in Item 404 of Regulation S-K under the Securities Act, any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships, in which we and a related person were or will be participants and the amount involved exceeds the lesser of $120,000 or 1% of the average of our total assets as of the end of our last two completed fiscal years, including purchases of goods or

services by or from the related person or entities in which the related person has a material interest, indebtedness and guarantees of indebtedness. In reviewing and approving any such transactions, our audit committee will consider all relevant facts and circumstances as appropriate, such as the purpose of the transaction, the availability of other sources of comparable products or services, whether the transaction is on terms comparable to those that could be obtained in an arm's length transaction, management's recommendation with respect to the proposed related person transaction, and the extent of the related person's interest in the transaction.

All of the transactions described in this section were entered into prior to the adoption of this policy.

PRINCIPAL STOCKHOLDERS

The following table sets forth information about the beneficial ownership of our Class A common stock and Class B common stock as of June 30, 2021 after giving effect to the organizational transactions as described in the section titled "Organizational Transactions":

- each person, or group of affiliated persons, who is known by us to beneficially own more than 5% of our Class A common stock or Class B common stock immediately prior to this offering;
- each of the named executive officers;
- each of our directors; and
- all of our current executive officers and directors as a group.

We have determined beneficial ownership in accordance with the rules of the SEC, and thus it represents sole or shared voting or investment power with respect to our securities. Unless otherwise indicated below, to our knowledge, the persons and entities named in the table have sole voting and sole investment power with respect to all shares that they beneficially owned, subject to community property laws where applicable. The information does not necessarily indicate beneficial ownership for any other purpose, including for purposes of Sections 13(d) and 13(g) of the Exchange Act.

As described in the sections titled "Organizational Transactions" and "Certain Relationships and Related Person Transactions," the Continuing LLC Owners will be entitled to have their LLC Interests redeemed for shares of Class A common stock on a one-for-one basis (subject to customary adjustments, including for stock splits, stock dividends and reclassifications) in accordance with the terms of the Rani LLC Agreement; provided that, at Rani Holdings' election, Rani Holdings may effect a direct exchange of such Class A common stock or a cash payment equal to a volume weighted average market price of one share of Class A common stock for each LLC Interest redeemed in accordance with the terms of the Rani LLC Agreement. In connection with this offering, we will issue to the Continuing LLC Owners one share of Class B common stock for each LLC Interest they own. As a result, the number of shares of Class B common stock listed in the table below correlates to the number of LLC Interests the Continuing LLC Owners will own immediately prior to and after this offering (but after giving effect to the Organizational Transactions other than this offering). See the section titled "Organizational Transactions."

The percentage of beneficial ownership of shares of our Class A common stock and our Class B common stock outstanding before the offering set forth below is based on the number of shares of our common stock to be issued and outstanding immediately following the Organizational Transactions without giving effect to this offering. The percentage of beneficial ownership of our Class A common stock and our Class B common stock after the offering set forth below is based on shares of our common stock to be issued and outstanding immediately after the offering.

Immediately following the consummation of this offering, certain of the Continuing LLC Owners will hold all of the issued and outstanding shares of our Class B common stock. The shares of Class B common stock will have no economic rights, but each share will entitle the holder to 10 votes on all matters on which stockholders of Rani Holdings are entitled to vote generally. The voting power afforded to certain of the Continuing LLC Owners by their shares of Class B common stock will be automatically and correspondingly reduced as they exchange shares of Class B common stock, together with a corresponding number of LLC Interests, as applicable, for shares of Class A common stock of Rani Holdings. See the sections titled "Certain Relationships and Related Person Transactions—Rani LLC Agreement," and "Description of Capital Stock."

The number of shares beneficially owned by each stockholder as described in this prospectus is determined under rules issued by the SEC and includes voting or investment power with respect to securities. Under these rules, beneficial ownership includes any shares as to which the individual or entity has sole or shared

voting power or investment power. In computing the number of shares beneficially owned by an individual or entity and the percentage ownership of that person, shares of common stock subject to options, warrants or other rights, including the redemption right described above, held by such person that are currently exercisable or will become exercisable within 60 days of June 30, 2021, are considered outstanding, although these shares are not considered outstanding for purposes of computing the percentage ownership of any other person.

Each of the stockholders listed has sole voting and investment power with respect to the shares beneficially owned by the stockholder unless noted otherwise, subject to community property laws where applicable. The following table does not reflect any potential purchases pursuant to the directed share program or otherwise of any shares of Class A common stock in this offering by our executive officers, directors, their affiliated entities or holders of more than 5% of our common units in this offering. If any shares are purchased by these persons or entities, the number and percentage of shares of our Class A common stock beneficially owned by them after this offering will differ from the amounts set forth in the following table.

Unless otherwise indicated, the address of each beneficial owner listed in the table below is c/o Rani Therapeutics Holdings, Inc. 2051 Ringwood Avenue, San Jose, California 95131.

	Shares of Class A Common Stock Beneficially Owned				Shares of Class B Common Stock Beneficially Owned				Total Common Stock Beneficially Owned	
	After Giving Effect to the Organizational Transactions and Before the Offering		After Giving Effect to the Organizational Transactions and After the Offering		After Giving Effect to the Organizational Transactions and Before the Offering		After Giving Effect to the Organizational Transactions and After the Offering		After Giving Effect to the Organizational Transactions and Before the Offering	After Giving Effect to the Organizational Transactions and After the Offering
Name of Beneficial Owner	Number	%	Number	%	Number	%	Number	%	%	%
5% Stockholders										
InCube Labs, LLC(1)		%		%		%		%	%	%
InCube Ventures II, L.P. and Affiliates(2)		%		%		%		%	%	%
South Lake One LLC and Affiliates(3)		%		%		%		%	%	%
Named Executive Officers and Directors										
Dennis Ausiello		%		%		%		%	%	%
Jean-Luc Butel		%		%		%		%	%	%
Laureen DeBuono		%		%		%		%	%	%
Andrew Farquharson(2)		%		%		%		%	%	%
Mir Imran(1)(2)		%		%		%		%	%	%
Talat Imran(2)		%		%		%		%	%	%
Maulik Nanavaty		%		%		%		%	%	%
Svai Sanford		%		%		%		%	%	%
All directors and executive officers as a group (8 persons)		%		%		%		%	%	%

* Represents beneficial ownership of less than 1% of the outstanding shares of our Class A common stock or Class B Common Stock.

(1) Represents shares held by ICL. Mir Imran is the sole managing member of ICL, which is wholly owned by Mir Imran and his family. The address of this entity is 2051 Ringwood Avenue San Jose, California 95131.

(2) Represents shares held by InCube Ventures II, L.P., or InCube Ventures II, Rani Investment Corporation, or RIC, VH Rani, LP, or VH, and Biologix Partners, LP, or Biologix. InCube Ventures II is a limited partnership and its general partners are Mir Imran, Andrew Farquharson and Wayne Roe. RIC is wholly owned by InCube Ventures II which is owned 99% by its limited partner Raffles Fund I, Ltd., a Cayman Island company, and 1% by its general partner InCube Venture Associates II, LLC, a Delaware LLC. InCube Venture Associates II, LLC is owned by Mir Imran, Andrew Farquharson and Wayne Roe. VH and Biologix are both limited partnerships and each have a general partner, InCube Crowdfunding LLC in which Mir Imran, Talat Imran and Andrew Farquharson are each Managing Members. The address of these entities is 2051 Ringwood Avenue San Jose, California 95131.

(3) Represents shares held by Aequanimitas Limited Partnership and South Lake One LLC. Isidoro Quiroga Moreno is the President of South Lake One LLC and Isidoro Quiroga Cortés is the authorized representative of Aequanimitas Limited Partnership. The address of these entities is c/o Vcorp Services LLC, 21013 Centre Road, Suite 403-B, Wilmington, Delaware 19805.

DESCRIPTION OF CAPITAL STOCK

The following descriptions of our capital stock and provisions of our amended and restated certificate of incorporation and our amended and restated bylaws, which will each be in effect immediately prior to the closing of this offering, are summaries and are qualified by reference to the amended and restated certificate of incorporation and the amended and restated bylaws, which are filed as exhibits to the registration statement of which this prospectus forms a part.

Our current authorized capital stock consists of 1,000 shares of Common Stock, par value $0.0001 per share. As of the consummation of this offering, our authorized capital stock will consist of shares of Class A common stock, par value $0.0001, shares of Class B common stock, par value $0.0001 per share, shares of Class C common stock, par value $0.0001 per share and shares of preferred stock.

Common Stock

As of the consummation of this offering, there will be shares of our Class A common stock issued and outstanding, shares of our Class B common stock issued and outstanding and no shares of our Class C common stock issued and outstanding.

Class A Common Stock

Voting Rights

Holders of our Class A common stock will be entitled to cast one vote per share. Holders of our Class A common stock will not be entitled to cumulate their votes in the election of directors. Generally, all matters to be voted on by stockholders must be approved by a majority (or, in the case of election of directors, by a plurality) of the votes entitled to be cast by all holders of Class A common stock and Class B common stock present in person or represented by proxy, voting together as a single class. Except as otherwise provided by law, amendments to the amended and restated certificate of incorporation must be approved by a majority or, in some cases, a super-majority of the combined voting power of all shares of Class A common stock and Class B common stock, voting together as a single class.

Dividend Rights

Any dividend or distribution paid or payable to the holders of shares of Class A common stock shall be paid pro rata, on an equal priority, pari passu basis; provided, however, that if a dividend or distribution is paid in the form of Class A common stock (or rights to acquire shares of Class A common stock), then the holders of the Class A common stock shall receive Class A common stock (or rights to acquire shares of Class A common stock).

Liquidation Rights

In the event of our liquidation, dissolution or winding-up, upon the completion of the distributions required with respect to any series of redeemable convertible preferred stock that may then be outstanding, our remaining assets legally available for distribution to stockholders shall be distributed on an equal priority, pro rata basis to the holders of Class A common stock and Class C common stock, unless different treatment is approved by the majority of the voting power of the outstanding shares of Class A common stock and Class B common stock.

Other Matters

No shares of Class A common stock will be subject to redemption or have preemptive rights to purchase additional shares of Class A common stock. Holders of shares of our Class A common stock do not have subscription, redemption or conversion rights. There will be no redemption or sinking fund provisions applicable to the Class A common stock. Upon consummation of this offering, all the outstanding shares of Class A common stock will be validly issued, fully paid and non-assessable.

Class B Common Stock

Issuance of Class B Common Stock with LLC Interests

Shares of Class B common stock will only be issued in the future to the extent necessary to maintain a one-to-one ratio between the number of LLC Interests held by the Continuing LLC Owners and the number of shares of Class B common stock issued to the Continuing LLC Owners. Shares of Class B common stock are transferable only together with an equal number of LLC Interests. Shares of Class B common stock will be cancelled on a one-for-one basis if we, at the election of the Continuing LLC Owners, redeem or exchange their LLC Interests pursuant to the terms of the Rani LLC Agreement.

Voting Rights

Holders of Class B common stock will be entitled to cast 10 votes per share until the Final Conversion Date and thereafter, one vote per share), with the number of shares of Class B common stock held by each Continuing LLC Owner being equivalent to the number of LLC Interests held by such Continuing LLC Owner. Holders of our Class B common stock will not be entitled to cumulate their votes in the election of directors. The voting power afforded to Continuing LLC Owners by their shares of Class B common stock will be automatically and correspondingly reduced as they redeem their LLC Interests because an equal number of their shares of Class B common stock will be cancelled.

Generally, all matters to be voted on by stockholders must be approved by a majority (or, in the case of election of directors, by a plurality) of the votes entitled to be cast by all Class A and Class B stockholders present in person or represented by proxy, voting together as a single class. Except as otherwise provided by law, amendments to the amended and restated certificate of incorporation must be approved by a majority or, in some cases, a super-majority of the combined voting power of all shares of Class A common stock and Class B common stock, voting together as a single class. There will be a separate vote of the Class B common stock in the following circumstances:

- If we amend, alter or repeal any provision of the amended and restated certificate of incorporation or the amended and restated bylaws in a manner that modifies the voting, conversion or other powers, preferences, or other special rights or privileges, or restrictions of the Class B common stock; or

- If we reclassify any of outstanding shares of Class A common stock or Class C common stock into shares having rights as to dividends or liquidation that are senior to the Class B common stock or, in the case of Class A common stock, the right to more than one vote for each share thereof and, in the case of Class C common stock, the right to have any vote for any share thereof, except as required by law.

- If we authorize any shares of preferred stock with rights as to dividends or liquidation that are senior to the Class B common stock or the right to more than one vote for each share thereof.

Dividend Rights

The shares of Class B common stock have no economic rights. Holders of shares of our Class B common stock do not have any rights to receive dividends.

Retirement

Pursuant to the amended and restated certificate of incorporation that will be in effect immediately prior to the closing of this offering, each share of Class B common stock will be retired, and all rights with respect to such shares shall cease and terminate, automatically upon the earlier to occur of (a) the occurrence of a Transfer (as defined therein), other than a Permitted Transfer (as defined therein) of such share of Class B common stock and (b) on the Final Conversion Date.

Liquidation Rights

On our liquidation, dissolution or winding up, holders of Class B common stock will not be entitled to receive any distribution of our assets.

Transfers

Pursuant to the Rani LLC Agreement, each holder of Class B common stock agrees that:

- the holder will not transfer any shares of Class B common stock to any person unless the holder transfers an equal number of LLC Interests to the same person; and
- in the event the holder transfers any LLC Interests to any person, the holder will transfer an equal number of shares of Class B common stock to the same person.

Other Matters

No shares of Class B common stock will have preemptive rights to purchase additional shares of Class B common stock. Holders of shares of our Class B common stock do not have subscription, redemption or conversion rights. There will be no redemption or sinking fund provisions applicable to the Class B common stock. Upon consummation of this offering, all outstanding shares of Class B common stock will be validly issued, fully paid and nonassessable.

Class C Common Stock

Voting Rights

Holders of our Class C common stock are not entitled to vote on any matter that is submitted to a vote of the stockholders, except as otherwise required by law. No shares of Class C common stock will be issued and outstanding upon the completion of this offering.

Dividend Rights

Any dividend or distribution paid or payable to the holders of shares of Class C common stock shall be paid pro rata, on an equal priority, pari passu basis; provided, however, that if a dividend or distribution is paid in the form of Class C common stock (or rights to acquire shares of Class C common stock), then the holders of the Class C common stock shall receive Class C common stock (or rights to acquire shares of Class C common stock).

Liquidation Rights

In the event of our liquidation, dissolution or winding-up, upon the completion of the distributions required with respect to any series of redeemable convertible preferred stock that may then be outstanding, our remaining assets legally available for distribution to stockholders shall be distributed on an equal priority, pro rata basis to the holders of Class A common stock and Class C common stock, unless different treatment is approved by the majority of the voting power of the outstanding shares of Class A common stock and Class B common stock.

Preferred Stock

Our amended and restated certificate of incorporation will provide that our board of directors has the authority, without action by the stockholders, to designate and issue up to shares of preferred stock in one or more classes or series and to fix the powers, rights, preferences, privileges and restrictions of each class or series of preferred stock, including dividend rights, conversion rights, voting rights, redemption privileges, liquidation preferences and the number of shares constituting any class or series, which may be greater than the rights of the holders of the common stock. There will be no shares of preferred stock outstanding immediately after this offering.

The purpose of authorizing our board of directors to issue preferred stock and determine its rights and preferences is to eliminate delays associated with a stockholder vote on specific issuances. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions, future financings and other corporate purposes, could have the effect of making it more difficult for a third-party to acquire, or could discourage a third-party from seeking to acquire, a majority of our outstanding voting stock. Additionally, the issuance of preferred stock may adversely affect the holders of our Class A common stock by restricting dividends on the Class A common stock, diluting the voting power of the Class A common stock or subordinating the liquidation rights of the Class A common stock. As a result of these or other factors, the issuance of preferred stock could have an adverse impact on the market price of our Class A common stock.

Renouncement of Corporate Opportunity

Our amended and restated certificate of incorporation that will be in effect immediately prior to the closing of this offering will provide that, to the extent permitted by law, we renounce any expectancy that a "covered person" offer us an opportunity to participate in a "specified opportunity" and waives any claim that the specified opportunity constitutes a corporate opportunity that should have been presented by the covered person to us; provided, however, that the covered person acts in good faith. A "covered person" is any officer, member of the board of directors or stockholder (or affiliate thereof) who is not an employee of ours or any of our subsidiaries. A "specified opportunity" is any transaction or other business opportunity that is not presented to the covered person solely in his or her capacity as an officer, member of the board of directors or stockholder (or affiliate thereof).

Anti-Takeover Effects of Certain Provisions of Delaware Law, Our Amended and Restated Certificate of Incorporation and Our Amended and Restated Bylaws

Certain provisions of Delaware law and certain provisions that will be included in our amended and restated certificate of incorporation and amended and restated bylaws summarized below may be deemed to have an anti-takeover effect and may delay, deter, or prevent a tender offer or takeover attempt that a stockholder might consider to be in its best interests, including attempts that might result in a premium being paid over the market price for the shares held by stockholders.

Preferred Stock

Our amended and restated certificate of incorporation will contain provisions that permit our board of directors to issue, without any further vote or action by the stockholders, shares of preferred stock in one or more series and, with respect to each such series, to fix the number of shares constituting the series and the designation of the series, the voting rights (if any) of the shares of the series and the powers, preferences, or relative, participation, optional, and other special rights, if any, and any qualifications, limitations, or restrictions, of the shares of such series.

Classified Board

Our amended and restated certificate of incorporation will provide that from and after the Final Conversion Date our board of directors will be divided into three classes, designated Class I, Class II and Class III. Each class will be an equal number of directors, as nearly as possible, consisting of one-third of the total number of directors constituting the entire board of directors. The term of initial Class I directors shall terminate on the first annual meeting of the stockholders after the Final Conversion Date, the term of the initial Class II directors shall terminate on the second annual meeting of the stockholders after the Final Conversion Date, and the term of the initial Class III directors shall terminate on the third annual meeting of the stockholders after the Final Conversion Date. At each annual meeting of stockholders beginning after the Final Conversion Date, successors to the class of directors whose term expires at that annual meeting will be elected for a three-year term.

Removal of Directors

Our amended and restated certificate of incorporation will provide that stockholders may only remove a director for cause by a vote of no less than a majority of the total voting power of the shares present in person or by proxy at the meeting and entitled to vote.

Director Vacancies

Our amended and restated certificate of incorporation will authorize only our board of directors to fill vacant directorships.

No Cumulative Voting

Our amended and restated certificate of incorporation will provide that stockholders do not have the right to cumulate votes in the election of directors.

Special Meetings of Stockholders

Our amended and restated certificate of incorporation and amended and restated bylaws will provide that, except as otherwise required by law, special meetings of the stockholders may be called only (i) prior to the Final Conversion Date, by the holders of at least 25% of the voting power of our Class A common stock and Class B common stock, voting together as a single class; (ii) by a resolution adopted by a majority of our board of directors; (iii) by the chairperson of our board of directors; or (iv) by our Chief Executive Officer.

Advance Notice Procedures for Director Nominations

Our amended and restated bylaws will provide that stockholders seeking to nominate candidates for election as directors at an annual or special meeting of stockholders must provide timely notice thereof in writing. To be timely, a stockholder's notice generally will have to be delivered to and received at our principal executive offices before notice of the meeting is issued by the secretary of the Company, with such notice being served not later than the close of business on the ninetieth (90th) day nor earlier than the close of business on the one hundred twentieth (120th) day prior to the first anniversary of the preceding year's annual meeting. Although the amended and restated bylaws will not give the board of directors the power to approve or disapprove stockholder nominations of candidates to be elected at an annual meeting, the amended and restated bylaws may have the effect of precluding the conduct of certain business at a meeting if the proper procedures are not followed or may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect its own slate of directors or otherwise attempting to obtain control of the Company.

Action by Written Consent

Our amended and restated certificate of incorporation and amended and restated bylaws will provide that, after the Final Conversion Date, any action to be taken by the stockholders must be affected at a duly called annual or special meeting of stockholders and may not be affected by written consent.

Amending our Certificate of Incorporation and Bylaws

Our amended and restated certificate of incorporation may be amended or altered in any manner provided by the DGCL. Our amended and restated bylaws may be adopted, amended, altered, or repealed by stockholders only upon approval of at least majority of the voting power of all the then outstanding shares of the Class A common stock and Class B common stock, voting together as a single class. Furthermore our amended and restated certificate of incorporation provides Class B common stock protective provisions that require approval of a majority of the voting power of the Class B common stock then outstanding to amend, alter or

repeal the amended and restated certificate of incorporation and the amended and restated bylaws. Additionally, our amended and restated certificate of incorporation and amended and restated bylaws will provide that our bylaws may be amended, altered, or repealed by the board of directors.

Authorized but Unissued Shares

Our authorized but unissued shares of Class A common stock and preferred stock will be available for future issuances without stockholder approval, except as required by the listing standards of the Nasdaq Stock Market, and could be utilized for a variety of corporate purposes, including future offerings to raise additional capital, acquisitions and employee benefit plans. The existence of authorized but unissued and unreserved Class A common stock and preferred stock could render more difficult or discourage an attempt to obtain control of the Company by means of a proxy contest, tender offer, merger, or otherwise.

Choice of Forum

Our amended and restated certificate of incorporation will provide that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: (i) any derivative action or proceeding brought on our behalf; (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers, or other employees to us or our stockholders; (iii) any action or proceeding asserting a claim against us or any of our current or former directors, officers, or other employees, arising out of or pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our amended and restated bylaws; (iv) any action or proceeding to interpret, apply, enforce, or determine the validity of our amended and restated certificate of incorporation or our amended and restated bylaws; (v) any action or proceeding as to which the DGCL confers jurisdiction to the Court of Chancery of the State of Delaware; and (vi) any action asserting a claim against us or any of our directors, officers, or other employees governed by the internal affairs doctrine, in all cases to the fullest extent permitted by law and subject to the court's having personal jurisdiction over the indispensable parties named as defendants. These provisions would not apply to suits brought to enforce a duty or liability created by the Exchange Act. Furthermore, Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. To prevent having to litigate claims in multiple jurisdictions and the threat of inconsistent or contrary rulings by different courts, among other considerations, our amended and restated certificate of incorporation will further provide that the federal district courts of the United States of America will be the exclusive forum for resolving 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. For the avoidance of doubt, this provision is intended to benefit and may be enforced by us, our officers and directors, the underwriters to any offering giving rise to such complaint, and any other professional entity whose profession gives authority to a statement made by that person or entity and who has prepared or certified any part of the documents underlying the offering. While the Delaware courts have determined that such choice of forum provisions are facially valid, a stockholder may nevertheless seek to bring a claim in a venue other than those designated in the exclusive forum provisions. In such instance, we would expect to vigorously assert the validity and enforceability of the exclusive forum provisions of our amended and restated certificate of incorporation.

These exclusive forum provisions may limit a stockholder'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 discourage these types of lawsuits. Furthermore, the enforceability of similar choice of forum provisions in other companies' certificates of incorporation or bylaws has been challenged in legal proceedings, and it is possible that a court could find these types of provisions to be inapplicable or unenforceable. If a court were to find the exclusive forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur further significant additional costs associated with resolving such action in other jurisdictions, all of which could seriously harm our business.

Business Combinations with Interested Stockholders

We have elected not be subject to or governed by Section 203 of the DGCL. Subject to certain exceptions, Section 203 of the DGCL prohibits a public Delaware corporation from engaging in a business combination (as defined in such section) with an "interested stockholder" (defined generally as any person who beneficially owns 15% or more of the outstanding voting stock of such corporation or any person affiliated with such person) for a period of three years following the time that such stockholder became an interested stockholder, unless (i) prior to such time the board of directors of such corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder; (ii) upon the closing of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of such corporation at the time the transaction commenced (excluding for purposes of determining the voting stock of such corporation outstanding (but not the outstanding voting stock owned by the interested stockholder) those shares owned (A) by persons who are directors and also officers of such corporation and (B) by employee stock plans in which employee participants do not have the right to determine confidentially whether shares held subject to the plan will be tendered in a tender or exchange offer); or (iii) at or subsequent to such time the business combination is approved by the board of directors of such corporation and authorized at a meeting of stockholders (and not by written consent) by the affirmative vote of at least 66 2/3% of the outstanding voting stock of such corporation not owned by the interested stockholder.

Our amended and restated certificate of incorporation and our amended and restated bylaws will provide that we must indemnify our directors and officers to the fullest extent authorized by the DGCL. We are expressly authorized to, and do, carry directors' and officers' insurance providing coverage for our directors, officers and certain employees for some liabilities. We believe that these indemnification provisions and insurance are useful to attract and retain qualified directors and executive directors.

The limitation on liability and indemnification provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duty. These provisions may also have the effect of reducing the likelihood of derivative litigation against directors and officers, even though such an action, if successful, might otherwise benefit us and our stockholders. In addition, your investment may be adversely affected to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

Listing

We have applied to list our Class A common stock on the Nasdaq Global Market under the symbol "RANI."

Transfer Agent and Registrar

The transfer agent and registrar for our Class A common stock immediately prior to the closing of this offering will be American Stock Transfer & Trust Company, LLC. The transfer agent and registrar's address is 6201 15th Avenue, Brooklyn, New York 11219 and the telephone number is (800) 937-5449.

SHARES ELIGIBLE FOR FUTURE SALE

Immediately prior to this offering, there was no public market for our Class A common stock. Future sales of substantial amounts of Class A common stock in the public market (including shares of Class A common stock issuable upon redemption or exchange of LLC Interests), or the perception that such sales may occur, could adversely affect the market price of our Class A common stock. Although we have applied to have our Class A common stock listed on Nasdaq, we cannot assure you that there will be an active public market for our Class A common stock.

Upon the closing of this offering, we will have outstanding an aggregate of shares of Class A common stock, assuming the issuance of shares of Class A common stock offered by us in this offering and the issuance of shares of Class A common stock to the Former LLC Owners. In addition, LLC Interests, following the completion of this offering, will be redeemable, at the Continuing LLC Owners' election (subject to the terms of the Rani LLC Agreement), for newly issued shares of Class A common stock on a one-for-one basis (subject to customary adjustments, including for stock splits, stock dividends and reclassifications) in accordance with the terms of the Rani LLC Agreement; provided that, at Rani Holdings' election, Rani Holdings may effect a direct exchange of such Class A common stock or make a cash payment equal to a volume weighted average market price of one share of Class A common stock for each LLC Interest redeemed. Of these shares, all shares sold in this offering will be freely tradable without restriction or further registration under the Securities Act, except for any shares purchased by our "affiliates," as that term is defined in Rule 144 under the Securities Act, whose sales would be subject to the Rule 144 resale restrictions described below, other than the holding period requirement. The remaining outstanding shares of our common stock will be "restricted securities" as that term is defined under Rule 144 of the Securities Act.

Subject to the lock-up agreements described below and the provisions of Rules 144 and 701 under the Securities Act, these restricted securities (including shares of Class A common stock issuable upon redemption or exchange of LLC Interests) will be available for sale in the public market as follows:

- no shares will be available for sale until 180 days after the date of this prospectus, subject to certain limited exceptions provided for in the lock-up agreements; and
- shares of Class A common stock (without giving effect to any redemptions or exchanges of LLC Interests for shares of Class A common stock), plus any shares purchased by our affiliates in this offering, will be eligible for sale beginning more than 180 days after the date of this prospectus, subject, in the case of shares held by our affiliates, to the volume limitations under Rule 144.

Lock-up Agreements

In connection with this offering, our officers and directors, and certain of our stockholders, have each entered into a lock-up agreement with the underwriters of this offering that restricts the sale of shares of our common stock by those parties for a period of 180 days after the date of this prospectus without the prior written consent of the representatives. However, the representatives, on behalf of the underwriters, may, in their discretion, choose to release any or all of the shares of our common stock subject to these lock-up agreements at any time prior to the expiration of the lock-up period without notice. For more information, see the section titled "Underwriting." Upon the expiration of the lock-up period, substantially all of the shares subject to such lock-up restrictions will become eligible for sale, subject to the limitations discussed above.

Rule 144

Affiliate Resales of Restricted Securities

In general, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, a person who is an affiliate of ours, or who was an affiliate at any time during the 90 days

before a sale, who has beneficially owned shares of our Class A common stock for at least 180 days would be entitled to sell in "broker's transactions" or certain "riskless principal transactions" or to market makers, a number of shares within any three-month period that does not exceed the greater of:

- 1% of the number of shares of our Class A common stock then outstanding; and
- the average weekly trading volume in our Class A common stock on Nasdaq during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Affiliate resales under Rule 144 are also subject to the availability of current public information about us. In addition, if the number of shares being sold under Rule 144 by an affiliate during any three-month period exceeds 5,000 shares or has an aggregate sale price in excess of $50,000, the seller must file a notice on Form 144 with the SEC and Nasdaq concurrently with either the placing of a sale order with the broker or the execution directly with a market maker.

Non-Affiliate Resales of Restricted Securities

In general, beginning 90 days after the effective date of the registration statement of which this prospectus is a part, a person who is not an affiliate of ours at the time of sale, and has not been an affiliate at any time during the 90 days preceding a sale, and who has beneficially owned shares of our Class A common stock for at least six months but less than a year, is entitled to sell such shares subject only to the availability of current public information about us. If such person has held our shares for at least one year, such person can resell under Rule 144(b)(1) without regard to any Rule 144 restrictions, including the 90-day public company requirement and the current public information requirement.

Non-affiliate resales are not subject to the manner of sale, volume limitation or notice filing provisions of Rule 144.

Rule 701

In general, under Rule 701, any of an issuer's employees, directors, officers, consultants or advisors who purchases shares from the issuer in connection with a compensatory stock or option plan or other written agreement before the effective date of a registration statement under the Securities Act is entitled to sell such shares 90 days after such effective date in reliance on Rule 144. An affiliate of the issuer can resell shares in reliance on Rule 144 without having to comply with the holding period requirement, and non-affiliates of the issuer can resell shares in reliance on Rule 144 without having to comply with the current public information and holding period requirements.

The SEC has indicated that Rule 701 will apply to typical stock options granted by an issuer before it becomes subject to the reporting requirements of the Exchange Act, along with the shares acquired upon exercise of such options, including exercises after an issuer becomes subject to the reporting requirements of the Exchange Act.

Equity Plans

We intend to file one or more registration statements on Form S-8 under the Securities Act to register the offer and sale of all shares of Class A common stock issuable under our stock plans. We expect to file the registration statement covering shares offered pursuant to our stock plans shortly after the date of this prospectus, permitting the resale of such shares by non-affiliates in the public market without restriction under the Securities Act and the sale by affiliates in the public market subject to compliance with the resale provisions of Rule 144.

Registration Rights

Upon the closing of this offering, the holders of shares of Class A common stock (including the holders of LLC Interests redeemable or exchangeable for shares of Class A common stock) or their transferees will be entitled to various rights with respect to the registration of these shares under the Securities Act. Registration of these shares under the Securities Act would result in these shares becoming fully tradable without restriction under the Securities Act immediately upon the effectiveness of the registration. See the section titled "Certain Relationships and Related Person Transactions—Registration Rights Agreement" for additional information. Shares covered by a registration statement will be eligible for sale in the public market upon the expiration or release from the terms of the lock-up agreement described in "—Lock-up Agreements."

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS

The following discussion is a summary of the material U.S. federal income tax consequences to Non-U.S. Holders (as defined below) of the ownership and disposition of our Class A common stock issued pursuant to this offering, but does not purport to be a complete analysis of all potential tax consequences. The effects of other U.S. federal tax laws, such as estate and gift tax laws, and any applicable state, local or non-U.S. tax laws are not discussed. This discussion is based on the Internal Revenue Code of 1986, as amended, or the Code, Treasury Regulations promulgated thereunder, or the Treasury Regulations, judicial decisions, and published rulings and administrative pronouncements of the IRS, in each case as in effect as of the date hereof. These authorities may change or be subject to differing interpretations. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a Non-U.S. Holder of our Class A common stock. We have not sought and will not seek any rulings from the IRS regarding the matters discussed below. There can be no assurance the IRS or a court will not take a contrary position to those discussed below regarding the tax consequences of the purchase, ownership and disposition of our Class A common stock.

This discussion is limited to Non-U.S. Holders that hold our Class A common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all U.S. federal income tax consequences relevant to a Non-U.S. Holder's particular circumstances, including the impact of the Medicare tax on net investment income or the alternative minimum tax, or the consequences to persons subject to special tax accounting rules as a result of any item of gross income with respect to our Class A common stock being taken into account in an applicable financial statement. In addition, it does not address consequences relevant to Non-U.S. Holders subject to special rules, including, without limitation:

- U.S. expatriates and former citizens or long-term residents of the United States;
- persons holding our Class A common stock as part of a straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies and other financial institutions;
- real estate investment trusts or regulated investment companies;
- brokers, dealers or certain electing traders in securities that mark their securities positions to market for tax purposes;
- "controlled foreign corporations," "passive foreign investment companies," and corporations that accumulate earnings to avoid U.S. federal income tax;
- partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes (and investors therein);
- tax-exempt organizations or governmental organizations;
- persons deemed to sell our Class A common stock under the constructive sale provisions of the Code;
- "qualified foreign pension funds" (within the meaning of Section 897(I)(2) of the Code and entities, all of the interests of which are held by qualified foreign pension funds); and
- tax-qualified retirement plans.

If any partnership or arrangement classified as a partnership for U.S. federal income tax purposes holds our Class A common stock, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly, partnerships holding our Class A common stock and partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

INVESTORS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE OWNERSHIP AND DISPOSITION OF OUR CLASS A COMMON STOCK ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

Definition of a Non-U.S. Holder

For purposes of this discussion, a "Non-U.S. Holder" is any beneficial owner of our Class A common stock that is neither a "United States person" nor an entity treated as a partnership for U.S. federal income tax purposes. A United States person is any person that, for U.S. federal income tax purposes, is or is treated as any of the following:

- an individual who is a citizen or resident of the U.S.;
- a corporation, or an entity treated as a corporation for U.S. federal income tax purposes, created or organized under the laws of the United States, any state thereof, or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust that (1) is subject to the primary supervision of a U.S. court and the control of one or more "United States persons" (within the meaning of Section 7701(a)(30) of the Code), or (2) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.

Distributions

As described in the section entitled "Dividend Policy," we do not anticipate declaring or paying dividends to holders of our Class A common stock in the foreseeable future. However, if we do make distributions of cash or property on our Class A common stock (other than certain pro rata distributions of our stock), such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Any portion of a distribution that exceeds our current and accumulated earnings and profits generally will be treated first as a tax-free return of capital, causing a reduction in the adjusted tax basis of a Non-U.S. holder's Class A common stock, and to the extent the amount of the distribution exceeds a Non-U.S. holder's adjusted tax basis in our Class A common stock, the excess will be treated as gain from the disposition of our Class A common stock (the tax treatment of which is discussed below under " —Sale or Other Taxable Disposition").

Subject to the discussion below on effectively connected income, backup withholding, and the Foreign Account Tax Compliance Act, dividends paid to a Non-U.S. Holder of our Class A common stock will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends (or such lower rate specified by an applicable income tax treaty), provided that the Non-U.S. Holder will be required to furnish to the applicable withholding agent prior to the payment of dividends a valid IRS Form W-8BEN or W-8BEN-E (or other applicable documentation) certifying qualification for the lower treaty rate in order to avoid withholding with respect to such tax). A Non-U.S. Holder that does not timely furnish the required documentation, but that qualifies for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. Holders should consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

If dividends paid to a Non-U.S. Holder are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the Non-U.S. Holder maintains a permanent establishment in the United States to which such dividends are attributable), the Non-U.S. Holder will be exempt from the U.S. federal withholding tax described above. To claim the exemption, the Non-U.S. Holder must furnish to the applicable withholding agent a valid IRS Form W-8ECI, certifying that the dividends are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States.

Any such effectively connected dividends will be subject to U.S. federal income tax on a net-income basis at the regular graduated rates. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on its effectively connected earnings and profits (as adjusted for certain items), which will include such effectively connected dividends. Non-U.S. Holders should consult their tax advisors regarding any applicable tax treaties that may provide for different rules.

Sale or Other Taxable Disposition

Subject to the discussion below on backup withholding and the Foreign Account Tax Compliance Act, a Non-U.S. Holder generally will not be subject to U.S. federal income tax on any gain realized upon the sale or other taxable disposition of our Class A common stock unless:

- the gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the Non-U.S. Holder maintains a permanent establishment in the United States to which such gain is attributable);

- the Non-U.S. Holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition and certain other requirements are met; or

- our Class A common stock constitutes a U.S. real property interest (a "USRPI"), by reason of our status as a U.S. real property holding corporation (a "USRPHC") for U.S. federal income tax purposes.

Gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis at the regular graduated rates. A Non-U.S. Holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on its effectively connected earnings and profits (as adjusted for certain items), which will include such effectively connected gain.

A Non-U.S. Holder described in the second bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on any gain derived from the disposition, which may generally be offset by U.S. source capital losses of the Non-U.S. Holder (even though the individual is not considered a resident of the United States), provided the Non-U.S. Holder has timely filed U.S. federal income tax returns with respect to such losses.

With respect to the third bullet point above, we believe we currently are not, and do not anticipate becoming, a USRPHC. Because the determination of whether we are a USRPHC depends, however, on the fair market value of our USRPIs relative to the fair market value of our non-U.S. real property interests and our other business assets, there can be no assurance we currently are not a USRPHC or will not become one in the future. Even if we are or were to become a USRPHC, gain arising from the sale or other taxable disposition by a Non-U.S. Holder of our Class A common stock will not be subject to U.S. federal income tax if our Class A common stock is "regularly traded" on an established securities market (as defined by applicable Treasury Regulations), and such Non-U.S. Holder has not owned, actually or constructively, more than five percent of our Class A common stock throughout the shorter of (1) the five-year period ending on the date of the sale or other taxable disposition and (2) the Non-U.S. Holder's holding period.

Non-U.S. Holders should consult their tax advisors regarding potentially applicable income tax treaties that may provide for different rules.

Information Reporting and Backup Withholding

Payments of dividends on our Class A common stock generally will not be subject to backup withholding, provided the applicable withholding agent does not have actual knowledge or reason to know the holder is a United States person and the holder either certifies its non-U.S. status, such as by furnishing a valid IRS Form W-8BEN, W-8BEN-E or W-8ECI, or otherwise establishes an exemption. However, information returns generally will be filed with the IRS in connection with any distributions on our Class A common stock paid to a Non-U.S. Holder, regardless of whether any tax was actually withheld. In addition, proceeds of the sale or other taxable disposition of our Class A common stock within the U.S. or conducted through certain U.S.-related brokers generally will not be subject to backup withholding or information reporting if the applicable withholding agent receives the certification described above and does not have actual knowledge or reason to know that such holder is a United States person, or the holder otherwise establishes an exemption. Proceeds of a disposition of our Class A common stock conducted through a non-U.S. office of a non-U.S. broker generally will not be subject to backup withholding or information reporting.

Copies of information returns that are filed with the IRS may also be made available under the provisions of an applicable treaty or agreement to the tax authorities of the country in which the Non-U.S. Holder resides or is established.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Additional Withholding Tax on Payments Made to Foreign Accounts

Sections 1471 through 1474 of the Code and the Treasury Regulations and administrative guidance promulgated thereunder (commonly referred to as the "Foreign Account Tax Compliance Act" or "FATCA") generally impose withholding at a rate of 30% in certain circumstances on certain payments in respect of securities which are held by or through certain foreign financial institutions (including investment funds), unless any such institution (i) enters into, and complies with, an agreement with the IRS to report, on an annual basis, information with respect to interests in, and accounts maintained by, the institution that are owned by certain U.S. persons and by certain non-U.S. entities that are wholly or partially owned by U.S. persons and to withhold on certain payments, or (ii) if required under an intergovernmental agreement between the United States and an applicable foreign country, reports such information to its local tax authority, which will exchange such information with the U.S. authorities. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Accordingly, the entity through which shares of our Class A common stock are held will affect the determination of whether such withholding is required. Similarly, certain payments in respect of our Class A common stock held by an investor that is a non-financial non-U.S. entity that does not qualify under certain exceptions will generally be subject to withholding at a rate of 30%, unless such entity either (i) certifies to the applicable withholding agent that such entity does not have any "substantial United States owners" or (ii) provides certain information regarding the entity's "substantial United States owners," which will in turn be provided to the U.S. Department of Treasury. FATCA currently applies to dividends paid on our Class A common stock and would have applied also to payments of gross proceeds from the sale or other disposition of our Class A common stock. The U.S. Treasury Department has released proposed regulations under FATCA providing for the elimination of the federal withholding tax of 30% applicable to gross proceeds of a sale or other disposition of our Class A common stock. Under these proposed Treasury Regulations (which may be relied upon by taxpayers prior to finalization), FATCA will not apply to gross proceeds from sales or other dispositions of our Class A common stock. Prospective investors should consult their tax advisors regarding the potential application of withholding under FATCA to their investment in our Class A common stock.

UNDERWRITING

BofA Securities, Inc., Stifel, Nicolaus & Company, Incorporated, Cantor Fitzgerald & Co. and Canaccord Genuity LLC are acting as representatives of each of the underwriters named below. Subject to the terms and conditions set forth in an underwriting agreement among us, Rani LLC and the underwriters, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the number of shares of Class A common stock set forth opposite its name below.

Underwriter	Number of Shares
BofA Securities, Inc.	
Stifel, Nicolaus & Company, Incorporated	
Cantor Fitzgerald & Co.	
Canaccord Genuity LLC	
BTIG LLC	
Total	

Subject to the terms and conditions set forth in the underwriting agreement, the underwriters have agreed, severally and not jointly, to purchase all of the shares sold under the underwriting agreement if any of these shares are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated.

We and Rani LLC have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the shares, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officers' certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Commissions and Discounts

The representatives have advised us that the underwriters propose initially to offer the shares to the public at the public offering price set forth on the cover page of this prospectus and to dealers at that price less a concession not in excess of $ per share. After the initial offering, the public offering price, concession or any other term of the offering may be changed.

The following table shows the public offering price, underwriting discount and proceeds before expenses to us. The information assumes either no exercise or full exercise by the underwriters of their option to purchase additional shares.

	Per Share	Without Option	With Option
Public offering price	$	$	$
Underwriting discount	$	$	$
Proceeds, before expenses, to us	$	$	$

The expenses of the offering, not including the underwriting discounts and commissions, payable by us are estimated to be approximately $. We have also agreed to reimburse the underwriters for certain of their expenses incurred in connection with, among others, the review and clearance by the Financial Industry Regulatory Authority, Inc. in an amount of up to $.

Option to Purchase Additional Shares

We have granted an option to the underwriters, exercisable for 30 days after the date of this prospectus, to purchase up to additional shares at the public offering price, less the underwriting discounts and commissions. If the underwriters exercise this option, each will be obligated, subject to conditions contained in the underwriting agreement, to purchase a number of additional shares proportionate to that underwriter's initial amount reflected in the above table.

No Sales of Similar Securities

We, Rani LLC, our executive officers and directors and our other existing security holders have agreed not to sell or transfer any Class A common stock or Class B common stock or securities convertible into, exchangeable for, exercisable for, or repayable with Class A common stock or Class B common stock, for 180 days after the date of this prospectus without first obtaining the written consent of BofA Securities, Inc. and Stifel, Nicolaus & Company, Incorporated. Specifically, we and these other persons have agreed, with certain limited exceptions, not to directly or indirectly:

- offer, pledge, sell or contract to sell any Class A common stock or Class B common stock,
- sell any option or contract to purchase any Class A common stock or Class B common stock,
- purchase any option or contract to sell any Class A common stock or Class B common stock,
- grant any option, right or warrant to purchase any Class A common stock or Class B common stock,
- otherwise dispose of or transfer any Class A common stock or Class B common stock,
- exercise any right with respect to the registration of any Class A common stock or Class B common stock or file, cause to be filed or cause to be confidentially submitted any registration statement under the Securities Act related to the Class A common stock or Class B common stock, or
- enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any Class A common stock or Class B common stock whether any such swap or transaction is to be settled by delivery of shares or other securities, in cash or otherwise.

This lock-up provision applies to Class A common stock and Class B common stock and to securities convertible into or exchangeable or exercisable for or repayable with Class A common stock or Class B common stock. It also applies to Class A common stock or Class B common stock owned now or acquired later by the person executing the agreement or for which the person executing the agreement later acquires the power of disposition.

Listing

We have applied to list our Class A common stock on the Nasdaq Global Market under the symbol "RANI."

Determination of Offering Price

Before this offering, there has been no public market for our Class A common stock. The initial public offering price will be determined through negotiations between us, Rani LLC and the representatives. In addition to prevailing market conditions, the factors to be considered in determining the initial public offering price are:

- the valuation multiples of publicly traded companies that the representatives believe to be comparable to us,

- our financial information,
- the history of, and the prospects for, our company and the industry in which we compete,
- an assessment of our management, its past and present operations, and the prospects for, and timing of, our future revenues,
- the present state of our development; and
- the above factors in relation to market values and various valuation measures of other companies engaged in activities similar to ours.

An active trading market for the shares may not develop. It is also possible that after the offering the shares will not trade in the public market at or above the initial public offering price.

The underwriters do not expect to sell more than 5% of the shares in the aggregate to accounts over which they exercise discretionary authority.

Price Stabilization, Short Positions and Penalty Bids

Until the distribution of the shares is completed, SEC rules may limit underwriters and selling group members from bidding for and purchasing our Class A common stock. However, the representatives may engage in transactions that stabilize the price of the Class A common stock, such as bids or purchases to peg, fix or maintain that price.

In connection with the offering, the underwriters may purchase and sell our Class A common stock in the open market. These transactions may include short sales, purchases on the open market to cover positions created by short sales and stabilizing transactions. Short sales involve the sale by the underwriters of a greater number of shares than they are required to purchase in the offering. “Covered” short sales are sales made in an amount not greater than the underwriters’ option to purchase additional shares described above. The underwriters may close out any covered short position by either exercising their option to purchase additional shares or purchasing shares in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option granted to them. “Naked” short sales are sales in excess of such option. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our Class A common stock in the open market after pricing that could adversely affect investors who purchase in the offering. Stabilizing transactions consist of various bids for or purchases of shares of Class A common stock made by the underwriters in the open market prior to the completion of the offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

Similar to other purchase transactions, the underwriters’ purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our Class A common stock or preventing or retarding a decline in the market price of our Class A common stock. As a result, the price of our Class A common stock may be higher than the price that might otherwise exist in the open market. The underwriters may conduct these transactions on the Nasdaq Global Market, in the over-the-counter market or otherwise.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our Class A common stock. In addition, neither we nor any of the underwriters make any representation that the representatives will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Electronic Distribution

In connection with the offering, certain of the underwriters or securities dealers may distribute prospectuses by electronic means, such as e-mail.

Other Relationships

Some of the underwriters and their affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates, including Rani LLC. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the underwriters and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Directed Share Program

At our request, the underwriters have reserved for sale, at the initial public offering price, up to 5.0% of the shares of Class A common stock offered by this prospectus, excluding the additional shares that the underwriters have a 30-day option to purchase, for sale to certain of our directors and officers and certain other parties related to us. If these persons purchase reserved shares, this will reduce the number of shares of Class A common stock available for sale to the general public. Any reserved shares that are not so purchased will be offered by the underwriters to the general public on the same terms as the other shares of Class A common stock offered by this prospectus. If purchased by any of our officers or directors, these shares will be subject to the terms of lock-up agreements described above. Other than the underwriting discount described on the front cover of this prospectus, the underwriters will not be entitled to any commission with respect to shares of our Class A common stock sold pursuant to the directed share program.

European Economic Area

In relation to each Member State of the European Economic Area (each a “Relevant State”), no shares have been offered or will be offered pursuant to the offering to the public in that Relevant State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of shares may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

(i) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

(ii) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the underwriters; or

(iii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of shares shall require us or any underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus

Regulation and each person who initially acquires any shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with each of the underwriters and the Company that it is a "qualified investor" within the meaning of the Prospectus Regulation.

In the case of any shares being offered to a financial intermediary as that term is used in Article 5(l) of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in a Relevant State to qualified investors, in circumstances in which the prior consent of the underwriters have been obtained to each such proposed offer or resale.

The Company, the underwriters and their affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

For the purposes of this provision, the expression an "offer to the public" in relation to shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

The above selling restriction is in addition to any other selling restrictions set out below.

In connection with the offering, the underwriters are not acting for anyone other than the issuer and will not be responsible to anyone other than the issuer for providing the protections afforded to their clients nor for providing advice in relation to the offering.

Notice to Prospective Investors in the United Kingdom

In relation to the United Kingdom (U.K.), no shares have been offered or will be offered pursuant to the offering to the public in the U.K. prior to the publication of a prospectus in relation to the shares which has been approved by the Financial Conduct Authority in the U.K. in accordance with the U.K. Prospectus Regulation and the FSMA, except that offers of shares may be made to the public in the U.K. at any time under the following exemptions under the U.K. Prospectus Regulation and the FSMA:

a. to any legal entity which is a qualified investor as defined under the U.K. Prospectus Regulation;

b. to fewer than 150 natural or legal persons (other than qualified investors as defined under the U.K. Prospectus Regulation), subject to obtaining the prior consent of the underwriters for any such offer;

c. at any time in other circumstances falling within section 86 of the FSMA; or

d. provided that no such offer of shares shall require us or any underwriter to publish a prospectus pursuant to Section 85 of the FSMA or Article 3 of the U.K. Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the U.K. Prospectus Regulation.

Each person in the U.K. who initially acquires any shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with the Company and the underwriters that it is a qualified investor within the meaning of the U.K. Prospectus Regulation.

In the case of any shares being offered to a financial intermediary as that term is used in Article 5(1) of the U.K. Prospectus Regulation, each such financial intermediary will be deemed to have represented,

acknowledged and agreed that the shares acquired by it in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer to the public other than their offer or resale in the U.K. to qualified investors, in circumstances in which the prior consent of the underwriters has been obtained to each such proposed offer or resale.

The Company, the underwriters and their affiliates will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements.

For the purposes of this provision, the expression an "offer to the public" in relation to any Shares in the U.K. means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares, the expression "U.K. Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018, and the expression "FSMA" means the Financial Services and Markets Act 2000.

In connection with the offering, the underwriters are not acting for anyone other than the issuer and will not be responsible to anyone other than the issuer for providing the protections afforded to their clients nor for providing advice in relation to the offering.

This document is for distribution only to persons who (i) have professional experience in matters relating to investments and who qualify as investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the Financial Promotion Order), (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

Notice to Prospective Investors in Switzerland

The shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (SIX) or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the offering, the Company, the shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of shares will not be supervised by, FINMA, and the offer of shares has not been and will not be authorized under CISA. The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of shares.

Notice to Prospective Investors in the Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Offered Securities Rules of the DFSA. This prospectus is intended for distribution only to persons of a type specified in the Offered Securities

Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus nor taken steps to verify the information set forth herein and has no responsibility for the prospectus. The shares to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the shares offered should conduct their own due diligence on the shares. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

Notice to Prospective Investors in Australia

No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the ASIC in relation to the offering. This prospectus does not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001 (Corporations Act) and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the shares may only be made to persons, or the Exempt Investors who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the shares without disclosure to investors under Chapter 6D of the Corporations Act.

The shares applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring shares must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

Notice to Prospective Investors in Hong Kong

The shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the shares has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

Notice to Prospective Investors in Japan

The shares have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, will not be offered or sold, directly or indirectly, in

Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

Notice to Prospective Investors in Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the shares were not offered or sold or caused to be made the subject of an invitation for subscription or purchase and will not be offered or sold or caused to be made the subject of an invitation for subscription or purchase, and this prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares, has not been circulated or distributed, nor will it be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (SFA)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor, or

- a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the shares pursuant to an offer made under Section 275 of the SFA except:

- to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA,

- where no consideration is or will be given for the transfer,

- where the transfer is by operation of law, or

- as specified in Section 276(7) of the SFA.

In connection with Section 309B of the SFA and the Capital Markets Products (CMP) Regulations 2018, the shares are prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in Monetary Authority of Singapore Notice SFA 04-N12: Notice on the Sale of Investment Products and Monetary Authority of Singapore Notice FAA-N16: Notice on Recommendations on Investment Products).

Notice to Prospective Investors in Canada

The shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of

the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 *Underwriting Conflicts* (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to Prospective Investors in Israel

This document does not constitute a prospectus under the Israeli Securities Law, 5728-1968, or the Securities Law, and has not been filed with or approved by the Israel Securities Authority. In the State of Israel, this document is being distributed only to, and is directed only at, and any offer of the shares is directed only at, investors listed in the first addendum, or the Addendum, to the Israeli Securities Law, consisting primarily of joint investment in trust funds, provident funds, insurance companies, banks, portfolio managers, investment advisors, members of the Tel Aviv Stock Exchange, underwriters, venture capital funds, entities with equity in excess of NIS 50 million and "qualified individuals", each as defined in the Addendum (as it may be amended from time to time), collectively referred to as qualified investors (in each case purchasing for their own account or, where permitted under the Addendum, for the accounts of their clients who are investors listed in the Addendum). Qualified investors will be required to submit written confirmation that they fall within the scope of the Addendum, are aware of the meaning of same and agree to it.

LEGAL MATTERS

The validity of the issuance of our Class A common stock offered in this prospectus will be passed upon for us by Cooley LLP, Palo Alto, California. Goodwin Procter LLP, Redwood City, California is acting as counsel for the underwriters.

EXPERTS

The financial statements of Rani Therapeutics Holdings, Inc. at April 19, 2021 appearing in this Prospectus and Registration Statement have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

The consolidated financial statements of Rani Therapeutics, LLC as of December 31, 2019 and 2020, and for each of the two years in the period ended December 31, 2020, appearing in this Prospectus and Registration Statement have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of our Class A common stock offered by this prospectus. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement, as permitted by the rules and regulations of the SEC. For further information with respect to us and our Class A common stock, we refer you to the registration statement, including the exhibits filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract or any other document is not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, please see the copy of the contract or document that has been filed. Each statement in this prospectus relating to a contract or document filed as an exhibit is qualified in all respects by the filed exhibit. The SEC also maintains an Internet website that contains the registration statement of which this prospectus forms a part, as well as the exhibits thereto. These documents, along with future reports, proxy statements, and other information about us, are available at the SEC's website, www.sec.gov.

As a result of this offering, we will become subject to the information and reporting requirements of the Exchange Act, and, in accordance with this law, will file periodic reports, proxy statements, and other information with the SEC. These periodic reports, proxy statements, and other information will be available for inspection and copying at the SEC's public reference facilities and the website of the SEC referred to above. We also maintain a website at https://www.ranitherapeutics.com/where these materials are available. Upon the closing of this offering, you may access these materials free of charge as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. Information contained on, or that can be accessible through, our website is not a part of this prospectus and the inclusion of our website address in this prospectus is an inactive textual reference only.

GLOSSARY

ACA	Patient Protection and Affordable Care Act, as amended by the Healthcare and Education Reconciliation Act
API	Active Pharmaceutical Ingredient
ASIC	Australian Securities and Investments Commission
AUC	Area Under Curve
BLA	Biologics License Application
BPCIA	Biologics Price Competition and Innovation Act (2009)
CBER	The FDA Center for Biologics Evaluation and Research
CCPA	California Consumer Privacy Act of 2018
CDC	U.S. Centers for Disease Control and Prevention
CDER	The FDA Center for Drug Evaluation and Research
CDRH	The FDA Center for Device and Radiological Health
cGCP	Current Good Clinical Practice
cGMP	Current Good Manufacturing Practice
CISA	Swiss Federal Act on Collective Investment Schemes
Cmax	Maximal Concentration
CMS	Center for Medicare & Medicaid Services
COVID-19	COVID-19 Pandemic
CRO	Contract Research Organizations
DFSA	Dubai Financial Services Authority
DGCL	Delaware General Corporation Law
EMA	European Medicines Agency
EPO	European Patent Office
FATCA	Foreign Account Tax Compliance Act
FCPA	U.S. Foreign Corrupt Practices Act
FDA	United States Food and Drug Administration
FDCA	Federal Food, Drug and Cosmetic Act
FINMA	Swiss Financial Market Supervisory Authority
FSMA	Financial Services and Markets Act 2000
GAAP	Generally Accepted Accounting Principles
GCP	Good Clinical Practice
GDPR	European General Data Protection Regulation
GI	Gastrointestinal
GLP	Glucagon-like Peptide
GRAS	Generally Regarded as Safe
hGH	Human Growth Hormone
HHS	The Department of Health and Human Services
HIPAA	Health Insurance Portability and Accountability Act of 1996
HITECH	Health Information Technology for Economic and Clinical Health Act of 2009

ICA	Investment Company Act of 1940, as amended—1940 Act
ICL	InCube Labs, LLC
IDE	Investigational Device Exemption
IDT	Intestinal Deployment Time
IJ	Intrajejunal
IND	Investigational New Drug Application
IRB	Institutional Review Board
IRS	Internal Revenue Service
IV	Intravenous
JOBS Act	Jumpstart our Business Startups Act of 2021
JW	Jejunal Wall
MFN	Most-Favored Nation
Nasdaq	Nasdaq Stock Market
NDA	New Drug Application
NET	Neuroendocrine Tumors
OCP	Office of Combination Products
OIG	Office of Inspector General
OP	Osteoporosis
PD	Pharmacodynamic
PHSA	Public Health Service Act
PK	Pharmacokinetic
PTH	Parathyroid Hormone
PTH-Hypo	Parathyroid Hormone for the Treatment of Hypoparathyroidism
PTH-OP	Parathyroid Hormone for the Treatment of Osteoporosis
QSRs	Quality System Regulations
RA	Rheumatoid Arthritis
REMS	Risk Evaluation and Mitigation Strategy
SC	Subcutaneous
SEC	Securities and Exchange Commission
SFA	U.S. Securities and Futures Act
SIX	SIX Swiss Exchange
Tmax	Time To Maximum Concentration
USPTO	U.S. Patent Trademark Office
USRPHC	U.S. Real Property Holding Corporation
USRPI	U.S. Real Property Interest
WBCT	Whole Blood Clotting Time

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholder of Rani Therapeutics Holdings, Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheet of Rani Therapeutics Holdings, Inc. (the Company) as of April 19, 2021 and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company at April 19, 2021 in conformity with U.S. generally accepted accounting principles.

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 audit. 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 audit 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 audit 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 audit 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 included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit 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 audit provides a reasonable basis for our opinion.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2021.

Redwood City, California
April 26, 2021

RANI THERAPEUTICS HOLDINGS, INC.
BALANCE SHEET
As of April 19, 2021

Assets:	
Cash	$10
Total assets	$ 10
Commitments and contingencies	
Stockholder's Equity:	
Common stock, $0.0001 par value per share, 1,000 shares authorized, issued and outstanding	$ –
Additional paid-in-capital	10
Total stockholder's equity	$ 10

The accompanying notes are an integral part of the financial statements.

RANI THERAPEUTICS HOLDINGS, INC.
NOTES TO FINANCIAL STATEMENT

1. Organization

Rani Therapeutics Holdings, Inc. (the "Company") was formed as a Delaware corporation on April 6, 2021. The Company was formed for the purpose of completing a public offering and related transactions in order to carry on the business of Rani Therapeutics, LLC and its subsidiary ("Rani LLC"). As the manager of Rani LLC, the Company is expected to operate and control all of the business and affairs of Rani LLC, and through Rani LLC, continue to conduct the business now conducted by these subsidiaries.

2. Summary of Significant Accounting Policies

Basis of Presentation and Accounting

The financial statement has been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Separate statements of operations, comprehensive income, changes in stockholder's equity, and cash flows have not been presented because there have been no activities in this entity as of April 19, 2021.

These financial statements have been prepared assuming the Company will continue as a going concern, which contemplates, among other things, the realization of assets and satisfaction of liabilities in the normal course of business.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the balance sheet. Actual results could differ from those estimates.

Cash

Cash consists of a deposit in-transit.

3. Common Stock

On April 6, 2021, the Company was authorized to issue 1,000 shares of common stock, par value $0.0001 per share, all of which have been issued or are outstanding. On the balance sheet date, the Company issued 1,000 shares at a purchase price of $0.01 per share for aggregate gross proceeds of $10.00 to Rani LLC. As of the balance sheet date, the Company had outstanding 1,000 shares all of which were owned by Rani LLC.

4. Subsequent Events

The Company has evaluated subsequent events through April 26, 2021, the date these financial statements were available to be issued. The Company has concluded that no subsequent event has occurred that requires disclosure.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Managers of Rani Therapeutics, LLC

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Rani Therapeutics, LLC (the Company) as of December 31, 2019 and 2020, the related consolidated statements of operations and comprehensive loss, changes in convertible preferred units and member's deficit and cash flows for the years then ended, 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, 2019 and 2020, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2020, in conformity with U.S. generally accepted accounting principles.

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 included 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.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2019.

Redwood City, California
April 26, 2021

RANI THERAPEUTICS, LLC
CONSOLIDATED BALANCE SHEETS
(in thousands, except unit amounts)

	December 31, 2019	December 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	$ 16,536	$ 73,058
Current portion of related party notes receivable	250	1,720
Prepaid expenses	158	167
Total current assets	16,944	74,945
Related party notes receivable, less current portion	1,625	—
Property and equipment, net	4,453	4,470
Total assets	$ 23,022	$ 79,415
Liabilities, Convertible Preferred Units and Members' Deficit		
Current liabilities:		
Accounts payable	$ 198	$ 537
Related party payable	1,926	145
Accrued expenses	1,195	550
Deferred revenue	179	2,717
Current portion of long-term debt	—	1,359
Total current liabilities	3,498	5,308
Preferred unit warrant liability	655	320
Long-term debt, less current portion	—	2,412
Total liabilities	$ 4,153	$ 8,040
Commitments and contingencies (Note 11)		
Convertible preferred units, 21,605,000 and 32,620,000 units authorized, and 17,084,696 and 26,745,528 units issued and outstanding at December 31, 2019 and 2020, respectively	$115,505	$ 184,714
Members' deficit:		
Common units, 90,000,000 and 101,000,000 units authorized, and 46,890,280 units issued and outstanding at December 31, 2019 and 2020, respectively	664	664
Accumulated deficit	(97,300)	(114,003)
Total members' deficit	(96,636)	(113,339)
Total liabilities, convertible preferred units and members' deficit	$ 23,022	$ 79,415

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

RANI THERAPEUTICS, LLC
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except unit and per unit amounts)

	Years Ended December 31,	
	2019	2020
Contract revenue	$ 979	$ 462
Operating expenses		
Research and development	24,579	12,044
General and administrative	3,465	4,962
Total operating expenses	28,044	17,006
Loss from operations	$ (27,065)	$ (16,544)
Other income (expense), net		
Interest income	$ 423	$ 63
Interest expense and other, net	(10)	(124)
Change in estimated fair value of preferred unit warrant liability	65	(63)
Loss before income taxes	(26,587)	(16,668)
Income tax expense	—	(35)
Net loss and comprehensive loss	$ (26,587)	$ (16,703)
Net loss per unit—basic and diluted	$ (0.57)	$ (0.36)
Weighted-average common units outstanding—basic and diluted	46,890,280	46,890,280

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

RANI THERAPEUTICS, LLC
CONSOLIDATED STATEMENTS OF CHANGES IN CONVERTIBLE PREFERRED UNITS AND MEMBERS' DEFICIT
(in thousands, except unit amounts)

	Convertible Preferred		Common		Accumulated Deficit	Total Members' Deficit
	Units	Amount	Units	Amount		
Balance at December 31, 2018	17,084,696	$115,505	46,890,280	$ 664	$ (70,713)	$ (70,049)
Net loss	—	—	—	—	(26,587)	(26,587)
Balance at December 31, 2019	17,084,696	$115,505	46,890,280	$ 664	$ (97,300)	$ (96,636)
Cashless exercise of warrant for Series B preferred units	51,341	718	—	—	—	—
Issuance of Series E preferred units, net of issuance costs of $190	9,609,491	68,491	—	—	—	—
Net loss	—	—	—	—	(16,703)	(16,703)
Balance at December 31, 2020	26,745,528	$184,714	46,890,280	$ 664	$ (114,003)	$ (113,339)

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

RANI THERAPEUTICS, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Years Ended December 31,	
	2019	2020
Cash flows from operating activities		
Net loss	$(26,587)	$(16,703)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	564	589
Change in estimated fair value of preferred unit warrant liability	(65)	63
Other	(16)	47
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	(86)	(9)
Accounts payable	(271)	933
Accrued expenses	103	(636)
Related party payable	270	(1,782)
Deferred revenue	(179)	2,538
Net cash used in operating activities	$(26,267)	$(14,960)
Cash flows from investing activities		
Purchases of property and equipment	$ (1,581)	$ (1,200)
Proceeds from disposal of property and equipment	49	—
Net cash used in investing activities	$ (1,532)	$ (1,200)
Cash flows from financing activities		
Proceeds from issuance of preferred units, net of issuance costs	$ —	$ 68,491
Proceeds from issuance of convertible note, net of issuance costs	—	2,781
Proceeds from the Paycheck Protection Program Loan	—	1,254
Principal repayments from related party for notes receivable	852	156
Net cash provided by financing activities	852	72,682
Net (decrease) increase in cash and cash equivalents	(26,947)	56,522
Cash and cash equivalents, beginning of year	43,483	16,536
Cash and cash equivalents, end of year	$ 16,536	$ 73,058
Supplemental disclosures of cash flow information		
Cash paid for interest	$ —	$ 57
Supplemental disclosures of non-cash investing and financing activities		
Property and equipment purchases included in accounts payable and accrued liabilities	$ 594	$ —
Reissuance of previously expired warrant for Series B preferred units	$ —	$ 718
Cashless exercise of warrant for Series B preferred units	$ —	$ 718

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

RANI THERAPEUTICS LLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Organization and Nature of Business

Description of Business

Rani Therapeutics, LLC ("Rani" or the "Company") is a clinical stage biotherapeutics company advancing technologies to enable the development of orally administered biologics. The Company has developed the RaniPill capsule, which is a novel, proprietary and patented platform technology, intended to replace subcutaneous or intravenous injection of biologics with oral dosing. The Company was organized under the laws of the State of California in February 2012, as a limited liability company. The Company is managed by a board of managers ("Board of Managers") as prescribed by its operating agreement. The Company formed a wholly-owned subsidiary, Rani Management Services, Inc. ("RMS") in November 2019. The Company is headquartered in San Jose, California.

Since its inception, Rani has devoted substantially all of its resources to research and development activities, including drug formulation, preclinical studies, clinical trials, manufacturing automation and scale-up, building its intellectual property portfolio, establishing strategic relationships with pharmaceutical companies that may benefit from the RaniPill capsule as well as administrative activities such as business planning, raising capital, and providing general and administrative support for these operations.

Up to December 31, 2019, Rani maintained no employees of its own and contracted with InCube Labs, LLC ("ICL"), the majority common unit holder of the Company and a related party, to provide research, development and administrative services. ICL and Rani have common management and interest holders and, in the course of performing under the terms of the service agreements, ICL employees acted on behalf of Rani. Effective January 1, 2020, the ICL personnel that were substantially dedicated to providing services to Rani were hired by RMS as full-time employees (see Note 7).

Liquidity

The Company has incurred recurring losses since its inception, including net losses of $26.6 million and $16.7 million for the years ended December 31, 2019 and 2020, respectively. As of December 31, 2020, the Company had an accumulated deficit of $114.0 million and negative cash flows from operations of $15.0 million. The Company expects to continue to generate operating losses and negative operating cash flows for the foreseeable future as it continues to develop the RaniPill capsule. As of December 31, 2020, the Company expects that its cash and cash equivalents of $73.1 million will be sufficient to fund its operations through at least one year from April 2021, the date the consolidated financial statements are available to be issued. The Company expects to finance its future operations with its existing cash and through strategic financing opportunities that could include, but are not limited to, an initial public offering ("IPO") of common stock, future offerings of its equity, collaboration or licensing agreements, or the incurrence of debt. However, there is no guarantee that any of these strategic or financing opportunities will be executed or realized on favorable terms, if at all, and some could be dilutive to existing investors. The Company will not generate any revenue from product sales unless, and until, it successfully completes clinical development and obtains regulatory approval for the RaniPill capsule. If the Company obtains regulatory approval for the RaniPill capsule, it expects to incur significant expenses related to developing its internal commercialization capability to support manufacturing, product sales, marketing, and distribution.

The Company's ability to raise additional capital through either the issuance of equity or debt, is dependent on a number of factors including, but not limited to, the demand for the Company, which itself is subject to a number of development and business risks and uncertainties, as well as the uncertainty that the Company would be able to raise such additional capital at a price or on terms that are favorable to the Company.

2. Summary of Significant Accounting Policies

Basis of Presentation

These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary. All intercompany accounts and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and the disclosure of contingent assets and liabilities in the Company's consolidated financial statements and accompanying notes. These estimates and assumptions are based on current facts, historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the recording of expenses that are not readily apparent from other sources. Significant estimates include, but are not limited to, recovery of long-lived assets, unvested equity-based compensation expense, research and development accruals, the fair value of Profits Interests, and the fair value of the Company's preferred unit warrants. Actual results may differ materially and adversely from these estimates.

Operating Segments

Operating segments are defined as components of an enterprise about which separate discrete information is available for evaluation by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. The Company's Chief Executive Officer, who is the chief operating decision maker, reviews financial information on an aggregate basis for allocating and evaluating financial performance. The Company operates and manages its business as one operating segment.

Revenue Recognition

The Company enters into evaluation and first rights arrangements with certain pharmaceutical partners, under which the Company performs evaluation services of the partner's drug molecules using the RaniPill capsule.

Revenue is recognized when control of promised goods or services is transferred to a customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To determine revenue recognition for its arrangements with customers, the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

Revenue for an individual contract is recognized at the related transaction price, which is the amount the Company expects to be entitled to in exchange for transferring these services. The terms of the evaluation services agreements usually include payments for evaluation services and evaluation milestones based on a decision to extend the agreement. The transaction price of the evaluation services contracts may include variable consideration. Application of the constraint for variable consideration requires judgment. The constraint for variable consideration is applied such that it is probable a significant reversal of revenue will not occur when the uncertainty associated with the contingency is resolved. Application of the constraint for variable consideration is updated at each reporting period as a revision to the estimated transaction price. For arrangements where the anticipated period between timing of transfer of services and the timing of payment is one year or less, the

Company has elected to not assess whether a significant financing component exists. The Company recognizes evaluation services revenue over the period in which evaluation services are provided. Specifically, the Company recognizes revenue using an output method to measure progress, using samples processed relative to total expected samples to be processed as its measure of progress. For services under these arrangements, costs incurred are included in research and development expenses in the Company's consolidated statements of operations and comprehensive loss.

Customer options, such as options granted to allow a customer to acquire later stage evaluation services, are evaluated at contract inception in order to determine whether those options provide a material right (i.e., an optional good or service offered for free or at a discount) to the customer. If the customer options represent a material right, the material right is treated as a separate performance obligation at the outset of the arrangement. The Company allocates the transaction price to material rights based on the standalone selling price, and revenue is recognized when or as the future goods or services are transferred or when the option expires. Customer options that are not material rights do not give rise to a separate performance obligation, and as such, the additional consideration that would result from a customer exercising an option in the future is not included in the transaction price for the current contract. Instead, the option is deemed a marketing offer, and additional option fee payments are recognized or being recognized as revenue when the licensee exercises the option. The exercise of an option that does not represent a material right is treated as a separate contract for accounting purposes.

Revenue is recognized for each distinct performance obligation as control is transferred to the customer. The Company recognizes revenue from its evaluation services over time as services are delivered, using a cost-based input method of revenue recognition over the contract term. The cost-based input measured is based on an estimate of total costs to be incurred to deliver the services over the contract period compared to costs incurred to date for each contract. The Company's evaluation of estimated costs to perform the services typically includes estimates for effort related to contracted research, formulation, and animal testing. These estimates are based on the Company's reasonable assumptions and its historical experience. Actual results may differ materially and adversely from these estimates.

Incremental costs of obtaining contracts are expensed when incurred when the amortization period of the assets that otherwise would have been recognized is one year or less. To date none of these costs have been material. The costs to fulfill the contracts are determined to be immaterial and are recognized as an expense when incurred.

Contract assets are generated when contractual billing schedules differ from revenue recognition timing and the Company records contract receivable when it has an unconditional right to consideration. No contract assets balance was recorded as of December 31, 2019 and 2020.

Contract liabilities are recorded as deferred revenue when cash payments are received or due in advance of performance or where the Company has unsatisfied performance obligations. As of December 31, 2019, and 2020, the Company had deferred revenue of $0.2 million and $2.7 million, respectively.

Cash and Cash Equivalents

The Company considers all cash held on deposit and highly liquid investments purchased with original or remaining maturities of less than three months at the date of purchase to be cash equivalents. Cash equivalents are carried at cost, which approximates fair value. The Company's cash and cash equivalents consist of balances held in demand depositary accounts and money market funds. The Company limits its credit risk associated with cash and cash equivalents by maintaining its bank accounts at major financial institutions.

Concentrations of Credit Risk and Other Risks and Uncertainties

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents. The Company maintains accounts in federally insured financial

institutions in excess of federally insured limits. The Company also holds money market funds that are not federally insured. However, management believes the Company is not exposed to significant credit risk due to the financial strength of the depository institutions in which these deposits are held and of the money market funds and other entities in which these investments are made.

In December 2019, a novel strain of coronavirus, which causes the disease known as COVID-19, was reported to have surfaced in Wuhan, China. Since then, COVID-19 coronavirus has spread globally. In March 2020, the World Health Organization declared the COVID-19 outbreak a pandemic. The COVID-19 pandemic has and may continue to impact the Company's third-party manufacturers and suppliers, which could disrupt its supply chain or the availability or cost of materials. The effects of the public health directives and the Company's work-from-home policies may negatively impact productivity, disrupt its business, and delay clinical programs and timelines and future clinical trials, the magnitude of which will depend, in part, on the length and severity of the restrictions and other limitations on the Company's ability to conduct business in the ordinary course. These and similar, and perhaps more severe, disruptions in the Company's operations could negatively impact business, results of operations and financial condition, including its ability to obtain financing. To date, the Company has not incurred impairment losses in the carrying values of its assets as a result of the pandemic and is not aware of any specific related event or circumstances that would require the Company to revise its estimates reflected in these consolidated financial statements.

The Company cannot be certain what the overall impact of the COVID-19 pandemic will be on its business and prospects. The extent to which the COVID-19 pandemic will further directly or indirectly impact its business, results of operations, financial condition, and liquidity, including planned and future clinical trials and research and development costs, will depend on future developments that are highly uncertain, including as a result of new information that may emerge concerning COVID-19, the actions taken to contain or treat it, and the duration and intensity of the related effects. In addition, the Company could see some limitations on employee resources that would otherwise be focused on its operation, including but not limited to sickness of employees or their families, the desire of employees to avoid contact with large groups of people, and increased reliance on working from home. If the financial markets and/or the overall economy are impacted for an extended period, the Company's business, financial condition, results of operations and prospects may be adversely affected.

Fair Value of Financial Instruments

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. Financial assets and liabilities carried at fair value are to be classified and disclosed in one of the following three levels of the fair value hierarchy, of which the first two are considered observable and the last is considered unobservable:

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

Level 2—Observable inputs (other than Level 1 quoted prices), such as quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are not active for identical or similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data.

Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to determining the fair value of the assets or liabilities, including pricing models, discounted cash flow methodologies and similar techniques.

The carrying values of the Company's cash equivalents, prepaid expenses, accounts payable, and accruals approximate their fair value due to their short-term nature. The fair value of the Company's long-term debt approximates its carrying value based on borrowing rates currently available to the Company for debt with similar terms and maturities (Level 2 inputs).

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

Property and Equipment, Net

Property and equipment, net are recorded at cost, net of accumulated depreciation. Depreciation is recorded using the straight-line method based on the estimated useful lives of the depreciable property. Leasehold improvements are amortized on a straight-line basis over the shorter of the lease term or their estimated useful lives. The Company's estimated useful lives of its property and equipment are as follows:

	Estimated Useful Lives (in years)
Laboratory equipment	3 years
Office and computer equipment	3 years
Leasehold improvements	Estimated useful life

Upon sale or retirement of the assets, the cost and related accumulated depreciation are removed from the consolidated balance sheet and the resulting gain or loss is recognized in the consolidated statement of operations and comprehensive loss. Expenditures for maintenance and repairs are expensed as incurred.

Impairment of Long-Lived Assets

The Company reviews the carrying amounts of its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset (or asset group) may not be recoverable. If indicators of impairment exist, an impairment loss would be recognized when the estimated undiscounted future cash flows expected to result from the use of the asset and its eventual disposition are less than its carrying amount. The impairment charge is determined based upon the excess of the carrying value of the asset over its estimated fair value, with estimated fair value determined based upon an estimate of discounted future cash flows or other appropriate measures of estimated fair value. Management believes that no revision to the remaining useful lives or write-down of long-lived assets is required as of and for the year ended December 31, 2020.

Notes Receivable from Related Party

The principal balance on the notes receivable from related party is recorded on the consolidated balance sheet along with earned and not yet received interest income. The principal balance is classified on the consolidated balance sheet based upon the expected timing of the repayments by the related party. Interest income received and receivable on the related party notes receivable is recorded as a component of interest income in the consolidated statement of operations and comprehensive loss. Associated interest earned is recognized using the effective interest method. The estimated fair value of the Company's related party notes receivable at December 31, 2019 and 2020 approximated their carrying value due to their short-term nature.

Research and Development Costs

Research and development costs are expensed as incurred. Research and development expenses consist primarily of contract research fees and process development, outsourced labor and related expenses for personnel, facilities cost, fees paid to consultants and advisors, depreciation and supplies used in research and development and costs incurred under our evaluation agreements. Payments made prior to the receipt of goods or services to be used in research and development activities are recorded as prepaid expenses until the related goods or services are received. Until future commercialization is considered probable and the future economic benefit is expected to be realized the Company does not capitalize pre-launch inventory costs. Costs of property and equipment related to scaling-up of the manufacturing capacity for clinical trials and to support commercialization are capitalized as property and equipment unless the related asset does not have an alternative future use.

Clinical and preclinical costs are a component of research and development expense. The Company accrues and expenses clinical and pre-clinical trial activities performed by third parties based upon actual work completed in accordance with agreements established with its service providers. The Company determines the actual costs through discussions with internal personnel and external service providers as to the progress or stage of completion of services and the agreed-upon fee to be paid for such services.

Equity-Based Compensation

The Company has granted equity-based awards to employees of ICL performing services for the Company, employees of the Company and consultants in the form of non-vested incentive units ("Profits Interests"). All awards of Profits Interests are measured based on the estimated fair value of the award on the date of grant. Forfeitures are recognized when they occur. All of the Profits Interests are subject to service and performance-based conditions and the Company evaluates the probability of achieving each performance-based condition at each reporting date and begins to recognize distribution of equity for ICL employee awards and equity-based compensation expense for Company and consultant awards when it is deemed probable that the performance-based condition will be met using the accelerated attribution method over the requisite service period.

The Company utilizes estimates and assumptions in determining the fair value of its Profits Interests on the date of grant. The Company utilized various valuation methodologies in accordance with the framework of the American Institute of Certified Public Accountants Technical Practice Aid, *Valuation of Privately Held Company Equity Securities Issued as Compensation*, to estimate the fair value of its preferred units and Profits Interests. Each valuation methodology includes estimates and assumptions that require the Company's judgment. These estimates and assumptions include several objective and subjective factors, including probability weighting of events, volatility, time to an exit event, a risk-free interest rate, the prices at which the Company sold preferred units, the superior rights, and preferences of the preferred units senior to the Company's common units at the time, and a discount for the lack of marketability. Changes to the key assumptions used in the valuations could result in different fair values at each valuation date.

Income Taxes

The Company's wholly-owned subsidiary, RMS, is a taxpaying entity in the United States. Accordingly, the Company provides current and deferred income taxes for this entity. The Company is treated as a pass through entity for federal and state income tax purposes and is not subject to income tax as the limited liability company ("LLC") members are responsible for the tax consequences of their proportionate share of the pass through income or loss. As such, the Company's tax provision consists solely of the activities of RMS, which is taxed as a corporation for federal and state income tax purposes.

The Company's taxable subsidiary accounts for income taxes using the asset and liability method, under which deferred tax liabilities and assets are recognized for the expected future tax consequences of temporary differences between the consolidated financial statement carrying amounts and the tax basis of assets and liabilities and net operating loss and tax credit carryforwards. Deferred tax assets and liabilities are classified as noncurrent on the consolidated balance sheet. Valuation allowances are established when necessary to reduce deferred tax assets to the amount that is more likely than not to be realized. The Company uses a recognition threshold and measurement attribute for the consolidated financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. A tax position is recognized when it is more likely than not that the tax position will be sustained upon examination, including the resolution of any related appeals or litigation. A tax position that meets the more-likely-than-not recognition threshold is measured at the largest amount of benefit that is greater than a 50% likelihood of being realized upon ultimate settlement with a taxing authority. Interest and penalties related to unrecognized tax benefits are recognized in benefit from income taxes in the accompanying consolidated statements of operations and comprehensive loss. No such interest and penalties were recognized for any period presented.

In March 2020, the Families First Coronavirus Response Act ("FFCR Act") and the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") were each enacted in response to the COVID-19 pandemic. The FFCR Act and the CARES Act contain numerous income tax provisions relating to refundable payroll tax credits, deferment of employer side social security payments, net operating loss carryback periods, alternative minimum tax credit refunds, modifications to the net interest deduction limitations and technical corrections to tax depreciation methods for qualified improvement property.

In June 2020, Assembly Bill 85 ("A.B. 85") was signed into California law. A.B. 85 provides for a three-year suspension of the use of net operating losses for medium and large businesses and a three-year cap on the use of business incentive tax credits to offset no more than $5.0 million of tax per year. A.B. 85 suspends the use of net operating losses for taxable years 2020, 2021 and 2022 for certain taxpayers with taxable income of $1.0 million or more. The carryover period for any net operating losses that are suspended under this provision will be extended. A.B. 85 also requires that business incentive tax credits including carryovers may not reduce the applicable tax by more than $5.0 million for taxable years 2020, 2021 and 2022.

Other than the Company's receipt of a Paycheck Protection Program Loan during 2020 (see Note 12), the FFCR Act, CARES Act and A.B. 85 did not have a material impact on the Company's consolidated financial statements as of December 31, 2020; however, the Company continues to examine the impacts the FFCR Act, CARES Act and A.B. 85 may have on its business, consolidated results of operations, financial condition, liquidity and related disclosures.

Convertible Preferred Units

The Company records convertible preferred units at fair value on the dates of issuance, net of issuance costs. The Company has classified convertible preferred units as temporary equity in the accompanying consolidated balance sheets due to terms that allow for redemption of the units in cash upon certain change in control events that are not within the Company's control, including the sale or transfer of the Company.

The carrying values of the convertible preferred units are adjusted to their liquidation preferences if and when it becomes probable that such a liquidation even will occur. The Company did not accrete the value of the convertible preferred units to their redemption values since a liquidation event was not considered probable as of December 31, 2019 and 2020. Subsequent adjustments of the carrying values to the ultimate redemption values will only be made when it becomes probable that such liquidation events will occur, causing the units to become redeemable.

The Company also evaluates the features of its convertible preferred units to determine if the features require bifurcation from the underlying units, by evaluating if they are clearly and closely related to the underlying units and if they do, or do not, meet the definition of a derivative.

Preferred Unit Warrant Liability

Outstanding warrants to purchase preferred units of the Company are classified as liabilities in the accompanying consolidated balance sheets due to a contingent redemption right of the holder of the preferred unit warrants that is outside of the control of the Company that precludes equity classification. Such preferred unit warrants are subject to re-measurement at the end of each reporting period. The Company estimates the fair value of preferred unit warrants at each reporting period, using a hybrid between the probability weighted expected return and option pricing methods, estimating the probability weighted value across multiple scenarios, but using the option pricing method to estimate the allocation of value within one or more of those scenarios, until the earlier of the exercise of the preferred unit warrants, at which time the liability will be revalued and reclassified to members' deficit, the expiration of the preferred unit warrants, or the completion of a liquidation event, including the completion of an IPO. The determination of fair value of these preferred unit warrants requires management to make certain assumptions regarding subjective input variables such as estimated fair value of the underlying convertible preferred units at the measurement date, timing and likelihood of achieving a

liquidity event, risk free interest rates, expected volatility, and a discount for lack of marketability reflective of the different rights of the preferred unit warrant holders. If actual results are not consistent with the Company's assumptions and judgments used in making these estimates, the Company may be required to increase or decrease other income (expense), net, which could be material to the Company's consolidated results of operations.

Comprehensive Loss

Comprehensive loss is defined as a change in equity of a business enterprise during a period, resulting from transactions and other events and/or circumstances from non-owner sources. The Company did not have any other comprehensive loss for any of the periods presented, and therefore comprehensive loss was the same as the Company's net loss.

Net Loss Per Unit

Basic net loss per unit is computed using the weighted-average number of common units outstanding for the period, without consideration of potential dilutive securities. Diluted net loss per unit is computed using the weighted-average number of common units outstanding during the period and, if dilutive, the weighted-average number of potential common units. Net loss per unit attributable to common unitholders is calculated using the two-class method, which is an earnings allocation formula that determines net loss per unit for the holders of the Company's common units and participating securities.

The preferred unit warrants and convertible note are non-participating securities, while the Profits Interests participate in the gains and losses of the Company once the participation threshold is reached. The Company's convertible preferred units contains participation rights in any dividend paid by the Company and are deemed to be participating securities. The convertible preferred units do not include a contractual obligation to participate in losses of the Company and are not included in the calculation of net loss per unit in the periods in which a net loss is recorded. The Company's convertible preferred units, common unit warrants, preferred unit warrants, convertible notes and Profits Interests are considered potentially dilutive.

The Company makes adjustments to diluted net loss to reflect the reversal of gains on the change in the value of preferred unit warrant liabilities, assuming conversion of warrants to acquire convertible preferred units at the beginning of the period or at time of issuance, if later, to the extent that those preferred unit warrants are dilutive. The Company computes diluted net loss per unit after giving consideration to all potentially dilutive common units outstanding during the period, determined using the treasury stock and if-converted methods, as applicable, except where the effect of including such securities would be antidilutive.

For the years ended December 31, 2019 and 2020, the Company reported a net loss. The potentially dilutive common units were anti-dilutive, except for the series B preferred unit warrants, which were considered dilutive but did not affect the net loss per share. As a result, basic and diluted net loss per unit were the same.

Emerging Growth Company Status

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

New Accounting Pronouncements

Recently Adopted Accounting Standards

In June 2018, the Financial Accounting Standards Board (the "FASB") issued ASU 2018-07, *Compensation-Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting* ("ASU 2018-07"). This ASU expanded the scope of Topic 718, *Compensation—Stock Compensation* (which currently only includes share-based payments to employees) to include share-based payments issued to nonemployees for goods or services. The ASU was effective for the Company on January 1, 2020. The Company's adoption of this standard did not have a material impact on the consolidated financial statements

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820)—Changes to the Disclosure Requirements for Fair Value Measurement* ("ASU 2018-13"). This ASU eliminated certain disclosure requirements for fair value measurements for all entities and modified some disclosure requirements and added enhanced disclosures for Level 3 inputs. This ASU was effective for the Company on January 1, 2020. The Company's adoption of ASU 2018-13 resulted in new disclosures regarding the Company's Level 3 fair value measurements, see Note 3.

Recently Issued Accounting Standards

In February 2016, the FASB issued ASU 2016-02, *Leases* ("Topic 842"), as subsequently amended, to improve financial reporting and disclosures about leasing transactions. This ASU requires companies that lease assets to recognize on the consolidated balance sheet the assets and liabilities for the rights and obligations created by those leases, where the lease terms exceed 12 months. The recognition, measurement, and presentation of expense and cash flows arising from a lease by a lessee will depend primarily on its classification as a finance or operating lease; both types of leases will be recognized on the consolidated balance sheet. This ASU also requires disclosures to help financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases. On June 3, 2020, the FASB amended the effective dates of Topic 842 to give immediate relief from business disruptions caused by the COVID-19 pandemic and provided a one-year deferral of the effective date for nonpublic companies. As a result of the Company having elected the extended transition period for complying with new or revised accounting standards pursuant to Section 107(b) of the JOBS Act, and assuming the Company continues to be considered an emerging growth company, Topic 842 will be effective for the Company on January 1, 2022. The Company has not yet determined the effects of Topic 842 on its consolidated financial statements but does expect that it will result in enhanced disclosures.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses* (ASU 2016-13) to require the measurement of expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions and reasonable forecasts. The main objective of this ASU is to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. As a result of the Company having elected the extended transition period for complying with new or revised accounting standards pursuant to Section 107(b) of the JOBS Act, and assuming the Company continues to be considered an emerging growth company, ASU 2016-13 will be effective for the Company on January 1, 2023. The Company has not yet determined the potential effects of ASU 2016-13 on its consolidated financial statements and disclosures.

3. Fair Value Measurements

The following table presents information about the Company's financial assets and liabilities measured at fair value on a recurring basis and indicates the level of inputs used in such measurements (in thousands):

	As of December 31, 2019			
	Level 1	Level 2	Level 3	Total
Assets:				
Money market funds	$15,912	$ —	$ —	$15,912
Total assets	**$15,912**	**$ —**	**$ —**	**$15,912**
Liabilities:				
Preferred unit warrant liability	$ —	$ —	$ 655	$ 655
Total liabilities	**$ —**	**$ —**	**$ 655**	**$ 655**

	As of December 31, 2020			
	Level 1	Level 2	Level 3	Total
Assets:				
Money market funds	$71,666	$ —	$ —	$71,666
Total assets	**$71,666**	**$ —**	**$ —**	**$71,666**
Liabilities:				
Preferred unit warrant liability	$ —	$ —	$ 320	$ 320
Total liabilities	**$ —**	**$ —**	**$ 320**	**$ 320**

The Company estimates the fair value of its money market funds by taking into consideration valuations obtained from third-party pricing services. The pricing services utilize industry standard valuation models, including both income and market-based approaches, for which all significant inputs are observable, either directly or indirectly, to estimate fair value.

During the years ended December 31, 2019 and 2020, there were no transfers between Level 1, Level 2 and Level 3 of the fair value hierarchy.

The Company holds a Level 3 liability associated with preferred unit warrants that were issued in connection with the Company's convertible note and preferred unit financings. The warrants are accounted for as liabilities.

The following table summarizes the significant unobservable inputs used in the fair value measurement of the preferred unit warrant liability as of December 31, 2020:

Fair Value (in thousands)	Valuation Technique	Unobservable Input	Range	Weighted Average
$320	Hybrid between the probability weighted expected return and option pricing methods	Time to exit	1 - 3 years	2 years
		Probability of exit events	25% - 75%	50%
		Discount for lack of marketability	20% - 35%	31%
		Volatility	66%	66%

Significant increases or decreases in time to exit, probability of exit, discount for lack of marketability and volatility would have resulted in a significantly lower or higher fair value measurement as of December 31, 2020.

The following tables set forth a summary of the changes in the fair value of the Company's liability measured using Level 3 inputs (in thousands):

	December 31,	
	2019	2020
Balance at beginning of period	$720	$ 655
Change in fair value	(65)	63
Settlement of Series B preferred unit warrant	—	(718)
Issuance of Series E preferred unit warrant	—	320
Balance at end of period	**$655**	**$ 320**

4. Property and Equipment, Net

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

	December 31,	
	2019	2020
Laboratory equipment	$ 1,399	$ 1,612
Leasehold improvements	1,018	1,120
Office equipment	5	28
Software	57	60
Total	2,479	2,820
Less: Accumulated depreciation	(1,245)	(1,834)
Total	1,234	986
Construction-in-progress	3,219	3,484
Property and equipment, net	**$ 4,453**	**$ 4,470**

Construction-in-progress consists of production equipment that will be used to scale-up the manufacturing of RaniPill capsules for clinical trials and that has been determined to have an alternative future use. Construction-in-progress is stated at cost and does not begin to depreciate until it is put into production.

Depreciation expense for each of the years ended December 31, 2019 and 2020 was $0.6 million. As of December 31, 2019 and 2020, all of the Company's property and equipment was located in the United States, with the exception of $3.2 million and $3.5 million, respectively, of construction-in-progress that is located in Germany at a third-party manufacturing facility.

5. Accrued Expenses

Accrued expenses consist of the following (in thousands):

	December 31,	
	2019	2020
Accrued laboratory equipment costs	$ 594	$—
Payroll and related	—	136
Other	601	414
Total accrued expenses	**$1,195**	**$550**

6. Evaluation Agreements

Takeda

In November 2017, the Company entered into an evaluation agreement with Shire International GmbH ("Shire"), a subsidiary of Takeda Pharmaceutical Company Limited ("Takeda") post acquisition of Shire by Takeda in 2019, hereafter referred to as Takeda as the party to the agreement. Takeda is collaborating with the Company to conduct research on the use of the RaniPill capsule for the oral delivery of factor VIII ("FVIII") therapy for patients with hemophilia A. The agreement grants Takeda a right of first negotiation to a worldwide, exclusive license under the Company's intellectual property related to FVIII-RaniPill therapeutic. Takeda paid the Company an up-front payment of $2.1 million upon execution of the agreement. Upon the initial evaluation services being completed, Takeda may pay the Company $3.0 million to perform later stage evaluation services. Takeda may terminate the agreement at any time by providing 30 days written notice after the effective date of the agreement. Unless terminated early, the agreement term ends upon the expiration of the right of first negotiation period which is 120 days after the completion of the evaluation services. The Takeda agreement may be terminated for cause by either party based on uncured material breach by the other party or bankruptcy of the other party. Upon early termination, all ongoing activities under the agreement and all mutual collaboration, development and commercialization licenses and sublicenses will terminate.

In addition to the non-refundable upfront payment, Takeda also concurrently acquired 593,120 units of the Company's Series D convertible preferred units for $10.0 million at $16.86 per unit.

In May 2019, the Company entered into the first amendment to the Takeda agreement, which increased the scope of the agreement, and received an additional upfront payment of $0.8 million for the additional services to be performed. The first amendment to the Takeda agreement also provided Takeda an option to acquire later stage evaluation services for additional consideration. In April 2020, the Company entered into the second amendment to the Takeda agreement to perform additional in vivo studies, and received an additional upfront payment of $3.0 million. Both amendments were evaluated and concluded to be modifications of the Takeda agreement. The Company updated the transaction price and measure of progress for its single performance obligation. The cumulative catch-up related to the modifications was not material for any periods presented.

The Company concluded that Takeda is a customer, and the contract is not subject to guidance on collaborative arrangements, because the Company is providing research and development services, all of which are current outputs of the Company's ongoing activities, in exchange for consideration.

The Company identified one material promise under the Takeda agreement, the obligation to perform services to evaluate if Takeda's FVIII therapy can be orally delivered using the RaniPill capsule ("Research and Development Services"), which was concluded be a single performance obligation. The options to acquire later stage evaluation services were not determined to be material rights because they did not provide an incremental discount to Takeda for these futures services. The options were instead considered to be marketing offers and will be accounted for as separate contracts if exercised. The Company's participation on a Joint Oversight Committee was determined to be immaterial in the context of the agreement. The Company provided to Takeda standard indemnification and protection of licensed intellectual property, which is part of assurance that the license meets the contract's specifications and is not an obligation to provide goods or services. The right of first negotiation to a worldwide, exclusive license under the Company's intellectual property related to FVIII-RaniPill capsule was not considered to be a performance obligation because it does not require any specific action by the Company.

The transaction price at the inception of the Takeda agreement consisted of the upfront payment of $2.1 million and the $10.0 million received from Takeda for the purchase of the Company's Series D convertible preferred units. The sale of the Series D convertible preferred units was not considered to be a performance obligation as it was a separate financing component of the transaction participated in by other independent

investors. Accordingly, $10.0 million of the transaction price was allocated to the issuance of 593,120 shares of Series D convertible preferred units at a fair value of $16.86 per unit and was recorded in members' deficit.

For revenue recognition purposes, the Company determined that the duration of the contract began on the effective date in November 2017 and ends upon completion of the Research and Development Services. The contract duration is defined as the period in which parties to the contract have present enforceable rights and obligations. The Company also analyzed the impact of Takeda terminating the agreement prior to the completion of the performance obligation and determined, considering both quantitative and qualitative factors, that there were substantive non-monetary penalties to Takeda for doing so.

The Company has determined that the cost-based input method most faithfully depicts the transfer of its performance obligation to Takeda. Accordingly, the Company recognizes its contract revenue based on actual costs incurred as a percentage of total estimated costs the Company expects to incur to deliver its performance obligation. These actual costs consist of internal labor efforts, in vivo testing services and materials costs related to the Takeda agreement, as the costs incurred over time reflect the transfer of its performance obligations to Takeda. The cumulative effect of revisions to estimated costs to complete the Company's performance obligation will be recorded in the period in which changes are identified and amounts can be reasonably estimated. A significant change in these assumptions and estimates could have a material impact on the timing and amount of revenue recognized in future periods.

For the year ended December 31, 2019 and 2020, the Company recognized contract revenue related to the Takeda agreement of $0.8 million and $0.5 million, respectively. As of December 31, 2019 and 2020, deferred revenue related to the remaining identified performance obligation for the Takeda agreement of $0.2 million and $2.7 million was recorded on the consolidated balance sheets. The Company expects the performance obligation to be completed by the end of 2021, and therefore all deferred revenue was recorded as a current liability. Upon completion of the Research and Development Services, the Company will provide Takeda with a final report summarizing the outcome of the in vivo testing services. Once this report has been made available, Takeda will have the right to enter into an exclusive negotiation with the Company, for a period of 120 days, for an exclusive licensing and commercialization arrangement.

Novartis

In May 2015, the Company entered into an Evaluation and First Rights Agreement (the "Novartis Agreement") with Novartis Pharmaceuticals Corporation ("Novartis") in which the Company agreed to perform certain specified research for Novartis to evaluate two specified Novartis compounds with the Company's oral drug delivery technology. The Novartis Agreement grants Novartis a right of first negotiation to a worldwide, exclusive license under the Company's intellectual property related to a Novartis compound-RaniPill therapeutic. Novartis paid the Company an up-front payment of $7.0 million. Unless terminated early, the agreement term ends upon the expiration of the right of first negotiation period. Novartis also concurrently acquired 593,120 units of the Company's Series C convertible preferred units for $5.0 million.

In August 2019 and July 2020, the Company amended the Novartis Agreement to focus on one compound and extend the term of the right of first negotiation periods. Both amendments were entered into for administrative purposes, and the Company determined the amendments were not a modification of contract under the contracts with customers guidance.

The transaction price at the inception of the Novartis Agreement consisted of the upfront payment of $7.0 million and the $5.0 million received from Novartis for the purchase of the Company's Series C convertible preferred units. The sale of the Series C convertible preferred units was not considered to be a performance obligation as it was a separate financing component of the transaction participated in by other independent investors. Accordingly, $5.0 million of the transaction price was allocated to the issuance of shares of Series C convertible preferred units and recorded in members' deficit.

The Company concluded that Novartis is a customer, and the contract is not subject to guidance on collaborative arrangements. The Company identified one material promise under the Novartis Agreement, the obligation to perform research and development, which was concluded to be a single performance obligation. The Company determined that the cost-based input method most faithfully depicted the transfer of its performance obligation. The research and development services were completed in 2019.

For the year ended December 31, 2019, the Company recognized contract revenue related to the Novartis Agreement of $0.2 million. There was no revenue recognized during the year ended December 31, 2020.

Changes in the deferred revenue balance are as follows (in thousands):

	December 31,	
	2019	2020
Balance at beginning of period	$ 358	$ 179
Additions	800	3,000
Deductions	(979)	(462)
Balance at end of period	**$ 179**	**$2,717**

There were no receivables or net contract assets recorded as of December 31, 2019 or 2020 associated with the Takeda agreement.

The Company expensed all incremental costs of obtaining the Takeda and Novartis agreements, as such amounts were insignificant.

7. Related Party Transactions

ICL is wholly-owned by the Company's President, Chief Executive Officer and Chairman of the Board of Managers ("the Company's CEO") and his family. The Company's Chief Scientific Officer and Manager is also the brother of the Company's CEO. The Company's CEO is also the father of the Company's Vice President, Strategy.

Services agreements

In January 2019, the Company entered into a one year service agreement with ICL. This agreement was amended in January 2020 to extend the period for an additional year and expired in December 2020. Since January 2021, the Company has been operating on a month-to-month basis with ICL for such services under the legacy terms of this agreement. The Company or ICL may terminate the service agreement upon 60 days notice to the other party, except for occupancy which requires six months notice. The service agreement specifies the scope of services to be provided by ICL as well as the methods for determining the costs of services for the years ended December 31, 2019 and 2020. Costs are billed on a monthly basis and based upon the hours incurred by ICL employees working on behalf of Rani as well as allocations of expenses based upon Rani's utilization of ICL's facilities and equipment. Effective January 1, 2020, the ICL personnel that were substantially dedicated to Rani were hired by RMS as full-time employees.

In addition, under the service agreement, RMS bills ICL on the same cost basis described above for certain hours incurred by RMS employees performing services on behalf of ICL. For the year ended December 31, 2020, RMS charged ICL $0.4 million for services performed, and such amounts charged were recorded as a reduction to research and development expense in the consolidated statement of operations and comprehensive loss.

The table below details the amounts charged by ICL for services and rent included in the consolidated statements of operations and comprehensive loss (in thousands):

	Year Ended December 31,	
	2019	2020
Research and development	$ 17,129	$ 535
General and administrative	3,308	1,826
Total	**$ 20,437**	**$ 2,361**

The Company's eligible employees are permitted to participate in ICL's 401(k) Plan ("401(k) Plan"). Participation in the 401(k) Plan is offered for the benefit of the employees, including the Company's named executive officers, and who satisfy certain eligibility requirements.

All of Rani LLC's facilities are owned by an entity affiliated with the Company's CEO. Rani LLC pays for the use of these facilities through the services agreement with ICL.

Financing activity

From inception to the first half of 2017, Rani advanced funds to ICL, and ICL made payments directly to certain vendors on behalf of Rani, Rani has reimbursed ICL for all such payments at cost on a monthly basis.

In June 2017, Rani converted the outstanding net advances of $6.6 million to ICL into three notes receivable. The notes provide for interest at 1.97% compounded annually, loan fees of 2.75% and are payable upon demand to Rani any time after January 1, 2024. During 2019 and 2020, the Company received $1.0 million and $0.2 million, respectively, in payments for interest and repayment of principal on the remaining notes receivable.

As of December 31, 2019 and 2020, $1.9 million and $1.7 million, respectively, of the notes receivable was outstanding. In March 2021, the outstanding balance due, including all accrued interest, was fully repaid by ICL.

During 2020, the Company amended certain Series B warrants held by an entity affiliated with ICL. In December 2020, this entity elected to cashless exercise all of their Series B warrants in return for 51,341 Series B units (see Note 8). This same entity also acquired 59,312 Series D units for $1.0 million in 2019.

Exclusive License, Intellectual Property and Common Unit Purchase Agreement

The Company and ICL entered into an exclusive license and an intellectual property agreement and common unit purchase agreement in 2012. Pursuant to the common unit purchase agreement, the Company issued 46.0 million common units to ICL in return for rights to exclusive commercialization, development, use and sale of certain products and services related to the RaniPill capsule technology. ICL also granted the Company a fully-paid, royalty-free, sublicensable, exclusive license under the intellectual property made by ICL during the course of providing services to the Company related to the RaniPill capsule technology. Such rights were not recorded on the Company's consolidated balance sheet as the transaction was considered a common control transaction.

The Company is obligated to develop and commercialize such products and services and to pay for costs to prosecute and maintain the patents ICL licensed to the Company.

The intellectual property agreement will terminate upon sale, merger or liquidation of the Company and the exclusive license agreement will terminate on the date of the expiration or abandonment of the last-to-expire patent that is licensed to the Company. The Company may terminate the exclusive license agreement in its entirety or with respect to any licensed patent by giving prior written notice to ICL.

Board Services

During the year ended December 31, 2020, the Company made a $0.2 million payment to a member of the Board of Managers for legacy board services provided to the Company.

8. Warrants

Preferred unit warrants

In May 2013, in conjunction with the Series B convertible preferred unit (the "Series B" or "Series B units") financing, the Company issued warrants to InCube Ventures II, LP ("ICV II"), an entity affiliated with

ICL, to purchase 107,357 Series B units. The Series B warrants were exercisable for a period of five years from the grant date at an exercise price of $3.73 per unit. During 2018, the Company amended the terms of the Series B warrants, extending the exercise period for an additional two years. These Series B warrants expired unexercised in May 2020 resulting in a $0.6 million decrease in fair value. In December 2020, the Company amended the terms of these expired Series B warrants, extending the exercise period for an additional two years resulting in a $0.7 million increase in fair value. At December 31, 2019, all of the Series B warrants were outstanding. In December 2020, ICV II elected to cashless exercise all of their Series B warrants and the Company issued 51,341 Series B units. There were no Series B warrants outstanding at December 31, 2020.

In September 2020, in conjunction with a loan and security Agreement (see Note 12), the Company issued warrants to purchase up to 118,929 Series E preferred units. The Series E warrants are exercisable for a period of seven years from the grant date at an exercise price of $7.1471 per unit. At December 31, 2020, all of these Series E warrants were outstanding. In the event of a change of control or IPO, the Series E warrants will automatically be exchanged for the same number of units of the Company's securities for no consideration had the holder of the warrant elected to exercise the warrant immediately prior to a change in control or IPO.

Common unit warrants

In 2017, in conjunction with the Series D convertible preferred unit financing, the Company issued 229,315 common unit warrants with an exercise price of $2.18 per unit and an exercise period of five years. The Company recorded the issuance-date fair value of the common warrants of $0.3 million in equity as the warrant met all criteria for equity classification. At December 31, 2019 and 2020, all of the 229,315 common warrants were outstanding.

9. Members' deficit

Under the Fourth Amended and Restated Limited Liability Company Agreement (the "Operating Agreement"), the Company is authorized to issue 101,000,000 common units, of which 10,850,000 have been reserved for issuance as Profits Interests and 32,620,000 are reserved for six separate classes, the Series A convertible preferred units (the "Series A units"), the Series B convertible preferred units (the "Series B units"), the Series C convertible preferred units (the "Series C units"), the Series C-1 convertible preferred units (the "Series C-1 units"), the Series D convertible preferred units (the "Series D units"), and the Series E convertible preferred units (the "Series E units"), collectively the "Preferred Units".

The members of the Company who hold these common and Preferred Units are not liable, solely by reason of being a member, for the debts, obligations, or liabilities of the Company whether arising in contract or tort; under a judgment, decree, or order of a court; or otherwise. The members are not obligated to make capital contributions to the Company. The Company will dissolve generally only upon the written consent of a majority of the members.

The Company's Profits Interests may be subject to either a combination of service, market, or performance vesting conditions. Vested Profits Interests are treated as common units for purposes of distributions.

Convertible Preferred Units

In October 2020, the Company entered into a Series E Preferred Unit Purchase Agreement ("Series E Agreement"). Between October 2020 and November 2020, the Company sold a total of 9,609,491 units of its Series E units at a purchase price of $7.1471 per unit, for total net proceeds of $68.5 million, net of issuance costs of $0.2 million. The subsequent closings were considered to be mutual options, as neither the purchasers nor the Company had a commitment or obligation to purchase or sell additional units. As such, these rights were not accounted for separately. The Series E units were sold at a price lower than the Series C-1 and Series D units resulting in an anti-dilution adjustment to the Series C-1 and Series D conversion prices. The anti-dilution adjustment did not create a contingent beneficial conversion.

The Company's convertible preferred units consisted of the following (in thousands, except unit amounts):

December 31, 2019	Units Authorized	Units Outstanding	Carrying Value	Liquidation Preference	Units issuable upon conversion
Series A units	4,000,000	4,000,000	$ 3,974	$ 8,000	4,000,000
Series B units	2,600,000	2,458,905	9,362	18,937	2,458,905
Series C units	5,000,000	4,972,115	32,348	32,488	4,972,115
Series C-1 units	2,505,000	2,504,099	17,607	18,325	2,504,099
Series D units	7,500,000	3,149,577	52,214	53,102	3,149,577
	21,605,000	**17,084,696**	**$ 115,505**	**$ 130,852**	**17,084,696**

December 31, 2020	Units Authorized	Units Outstanding	Carrying Value	Liquidation Preference	Units issuable upon conversion
Series A units	4,000,000	4,000,000	$ 3,974	$ 8,000	4,000,000
Series B units	2,600,000	2,510,246	10,080	19,332	2,510,246
Series C units	5,000,000	4,972,115	32,348	32,488	4,972,115
Series C-1 units	2,520,000	2,504,099	17,607	18,325	2,511,058
Series D units	7,500,000	3,149,577	52,214	53,102	3,380,906
Series E units	11,000,000	9,609,491	68,491	68,680	9,609,491
	32,620,000	**26,745,528**	**$ 184,714**	**$ 199,927**	**26,983,816**

The following provides a summary of the rights of the holders of convertible preferred and common units:

Conversion Rights

The holders of Preferred Units have the right to convert the Preferred Units at any time into common units at an initial conversion ratio of one-to-one, subject to certain adjustments. The Preferred Units will automatically convert into common units at the conversion rate in effect at that time immediately upon the closing of an IPO that results in total proceeds to the Company of at least $100.0 million.

Redemption rights

No Preferred Units or common units are unilaterally redeemable by either the unitholders or the Company; however, the Company's Operating Agreement provides that upon any liquidation event such units shall be entitled to receive the applicable liquidation preference.

Net Income and Loss Allocation

Net income and loss shall be allocated to the Preferred Units in a manner that if the Company were to liquidate completely and in connection with such liquidation (i) sell all of its assets at their carrying values, defined as the fair market value, (ii) settle all of its liabilities to the extent of the available assets of the Company, and (iii) each Preferred Unit holder were to pay to the Company at that time the amount of any obligation then unconditionally due to the Company, then each Preferred Unit holder's capital account balance would correspond as closely as possible to the distributions that would result if the distributions to such Preferred Unit holders were made in accordance with the Operating Agreement.

Distributions

Distributions of the Company's assets to Preferred Unit holders or common unit holders shall be made with the approval of the Board of Managers and with sufficient working capital reserves retained. There shall be

no distribution to the Preferred Unit holders until such time as the Company has earned gross revenues of $20.0 million on a cumulative basis (or such other lesser amount as unanimously approved by the board of managers). The Company has not declared any distributions to date.

After the Company earns $20.0 million and prior to $50.0 million in gross revenue on a cumulative basis, distributions are as follows:

- First, to the Preferred Unit holders, on a *pari passu* and pro rata basis, until the cumulative amount of distributions made with respect to each unit equals their aggregate capital contributions; and

- Second, to common unit holders pro rata in proportion to the number of common units held.

After the Company earns $50.0 million and prior to $100.0 million in gross revenue on a cumulative basis, distributions are as follows:

- First, to Preferred and common unit holders, on a *pari passu* basis and pro rata in proportion to the number of units, until the cumulative amount of distributions made with respect to each unit equals their aggregate capital contributions;

- Second, to Preferred Unit holders, on a *pari passu* basis and pro rata in proportion to the number of Preferred Units held, until they have been distributed an additional amount equal to their aggregate capital contributions; and

- Third, 100% to common unit holders, excluding common unit holders who were formerly Preferred Unit holders subject to automatic conversion of their Preferred Units.

After the Company earns $100.0 million in gross revenue on a cumulative basis, distributions are as follows:

- First, to the Preferred Unit holders, on a *pari passu* basis and pro rata in proportion to the number of preferred units, until the cumulative amount of distributions made with respect to each unit equals their original capital contribution, then until the cumulative amount made with respect to each unit equals their aggregate contribution; and

- Second, to Preferred Unit holders and common unit holders pro rata in proportion to the number of common units held assuming full conversion of Preferred Units to common units at the applicable conversion rate.

Liquidating Distributions

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company, including a merger or sale of the Company (“Deemed Liquidation Event”), the amount to be paid for each class of unit is equal to the original price of the issuance, plus any declared but unpaid dividends. At December 31, 2020, the liquidation priority is as follows:

- First 100% to the holders of Series E units until they have been distributed an amount equal to their aggregate capital contributions less any amounts previously distributed to the Preferred Unit holders;

- Second 100% to the holders of Series D units, until they have been distributed an amount equal to their aggregate capital contributions less any amounts previously distributed to the Preferred Unit holders;

- Third 100% to the holders of Series A, B, C, C-1 units pari passu and pro rata in proportion to the number of Preferred Units held by each, until the holders of Series A units and Series B units have been distributed an amount equal to 200% of their aggregate capital contributions less any amounts previously distributed to the Preferred Unit holders and the holders of Series C units and C-1 units have been distributed an amount equal to their aggregate capital contributions less any amounts previously distributed to the Preferred Unit holders; and

- Thereafter, 100% to the holders of Series A, B, and common units pari passu and pro rata in proportion to the number of common units held by each, assuming full conversion of the Preferred Units into common units at the then-applicable conversion rate, as defined in the Operating Agreement.

Tax Distributions

Within ninety days of the end of each fiscal year, the Company will make a distribution to each holder of units out of any available cash of the Company an amount equal to the excess of the sum of:

- the product of any amount of net income and gain taxable at ordinary tax rates allocated with respect to each unit and the maximum marginal rate of federal, state and local income and employment tax applicable to an individual subject to tax with respect to such income or gain, and

- the product of the amount of net income and gain table at long-term capital gains rates allocated with respect to such unit and the maximum marginal rate of federal, state and local income and employment tax applicable to an individual subject to tax with respect to such income or gain, and

- in the event of allocation by the Company of net income or gain taxable at a rate other than the ordinary or long-term capital gains rates contemplated in clauses (i) and (ii) above, the product of the amount of such net income and gain taxable at such other rate allocated with respect to such unit and the maximum marginal rate of federal, state and local income and employment tax applicable to an individual subject to tax with respect to such income or gain, over the cumulative cash distributions previously made with respect to such unit.

No tax distributions were made during the years ended December 31, 2019 and 2020.

Voting Rights

The holders of Preferred Units, on an as converted to common unit basis, and the holders of common units shall vote together and not as separate voting groups on all matters required or permitted to be voted on, consented to, or taken or approved by the unit holders of the Company.

Registration Rights

Under our investors' rights agreement, certain holders of our units have the right to demand that we file a registration statement or request that their units be covered by a registration statement that we are otherwise filing. Holders of the Company's Preferred Units have the right to request the Company to file certain registration statements with the Securities and Exchange Commission for the registration of shares related to the Preferred Units. The obligations of the Company regarding such registration rights include, but are not limited to, commercially reasonable efforts to cause such registration statement to become effective, keep such registration statement effective for up to 120 days, prepare and file amendments and supplements to such registration statement and the prospectus used in connection with such registration statement, and furnish to the selling holders copies of the prospectus and any other documents as they may reasonably request. The terms of the registration rights provide for the payment of certain expenses related to the registration of the shares, including a

capped reimbursement of legal fees of a single special counsel for the holders of the shares, but do not impose any obligations for the Company to pay additional consideration to the holders in case a registration statement is subsequently withdrawn at the request of the holders.

Common Units

Holders of the Company's common units have no explicit redemption rights and vote on a one-to-one basis based on the under of common units held. Common units reserved for future issuance, consisted of the following as of:

	December 31,	
	2019	2020
Series A units	4,000,000	4,000,000
Series B units	2,458,905	2,510,246
Series C units	4,972,115	4,972,115
Series C-1 units	2,504,099	2,511,058
Series D units	3,149,577	3,380,906
Series E units	—	9,609,491
Units reserved for Profits Interests, issued and outstanding	6,616,350	6,926,358
Units reserved for Profits Interests, authorized for future issuance	2,233,650	3,923,642
	25,934,696	**37,833,816**

10. Equity-Based Compensation

In 2016, the Company adopted the 2016 Equity Incentive Plan (the "Plan") under which the Board of Managers may issue options, Profits Interests, and restricted common units to managers, consultants or other individuals who provide service to the Company. The Board of Managers has the authority to determine to whom Profits Interests will be granted, the number of options granted, and the Profits Interests threshold amount, which is the minimum amount determined by the Board of Managers in its reasonable discretion to be necessary to cause such interests to be treated as Profits Interests ("Threshold Amounts"). In 2020, the Board of Managers approved an additional 2,000,000 common units and Profits Interests to be reserved under the Plan. At December 31, 2020, a total of 10,850,000 common units and Profits Interests are reserved under the Plan.

Immediately upon receipt of a Profits Interests award, the recipient will have no initial capital account balance and the Profits Interests received shall not entitle such recipient to any portion of the capital of the Company at the time of such recipient's admission to the Company as an unitholder member, such that if the Company's assets were sold at fair market value immediately after the grant to such recipient of Profits Interests and the proceeds distributed in complete liquidation of the Company, the Profits Interests received would entitle such recipient to receive no portion of those proceeds. Additionally, the Company shall not make a distribution with respect to any Profits Interests unless the Company has made aggregate distributions to each interest subject to a lower or no Profits Interests Threshold Amount. The common units underlying each Profits Interests award entitle the holder, upon a sale or other specified capital transaction (as set forth in the Operating Agreement), to participate in a portion of the profits and appreciation in the equity value of the Company arising after the date of grant, as determined in reference to the Profits Interests Threshold Amount set forth in each award agreement.

A summary of Profits Interests activity during the periods indicated is as follows:

	Profits Interests Available for Grant	Number of Profits Interests	Weighted Average Grant Date Fair Value Per Unit	Profits Interests Threshold Per Unit
Balance at December 31, 2019	2,233,650	6,616,350	$ 1.67	$ 1.44 - $2.29
Additional reserved	2,000,000	—		
Forfeitures	182,942	(182,942)	1.94	1.44 - $2.29
Grants	(492,950)	492,950	1.88	1.87 - $2.29
Balance at December 31, 2020	3,923,642	6,926,358	$ 1.63	$ 1.44 - $2.29

All Profits Interests are subject to a performance-based condition, which is subject to the achievement of certain revenue targets or a liquidation of the Company, and a service condition subject to the holder's continued employment with Rani or ICL. An IPO accelerates the service condition vesting of the Profits Interests. No equity distribution to ICL or equity-based compensation expense to the Company have been recorded since inception, as the Company has concluded that achievement of the performance-based condition is not considered probable.

The fair value of the incentive units underlying the Profits Interests was estimated by taking the aggregate implied equity value of Rani and a hybrid between the probability weighted expected return and option pricing ("OPM") methods, estimating the probability weighted value across multiple scenarios. An OPM was then used to allocate the total equity value of Rani to the different classes of equity according to their rights and preferences. To apply the OPM, volatility was estimated based on the historical volatility of similar public companies' stock price over a preceding period commensurate with the expected term of the Profits Interests awards. The Company estimated the expected term of the Profits Interests awards by considering the timing and probabilities of a liquidity event. The risk-free interest rate for the expected term of the Profits Interests awards was based on the U.S. Treasury yield curve in effect at the time of grant.

The following table summarizes the Company's Profits Interests assumptions that the Company used to determine the grant date fair value of the Profits Interests:

	Year Ended December 31,	
	2019	2020
Expected term (in years)	2	1 - 3
Expected volatility	80%	66%
Risk-free interest rate	1.18%	0.19%

As of December 31, 2020, there was $11.6 million of unrecognized equity-based compensation expense and distribution of equity to ICL associated with the total of all Profits Interests subject to performance conditions.

11. Commitments and Contingencies

Leases

Rani LLC pays for the use of its office, laboratory and manufacturing facilities in San Jose, California as part of the services agreement with ICL (see Note 7) which is accounted for as an operating lease with an implied renewal option into 2025. Rent expense incurred with ICL was $1.1 million and $0.8 million for the years ended December 31, 2019 and 2020, respectively.

Legal Proceedings

In the ordinary course of business, the Company may be subject to legal proceedings, claims and litigation as the Company operates in an industry susceptible to patent legal claims. The Company accounts for

estimated losses with respect to legal proceedings and claims when such losses are probable and estimable. Legal costs associated with these matters are expensed when incurred. The Company is currently involved in several opposition proceedings at the European Patent Office, all of which were asserted against us by Novo Nordisk AS. The ultimate outcome of this matter as a loss is not probable nor is there any amount that is reasonably estimable. However, the outcome of the opposition proceedings could impact the Company's ability to commercialize its products in Europe.

Indemnifications

In the ordinary course of business, the Company may provide indemnification of varying scope and terms to vendors, lessors, customers and other parties with respect to certain matters including, but not limited to, losses arising out of breach of such agreements or from intellectual property infringement claims made by third parties. The Company's operating agreement requires that it indemnifies its managers, officers and members against expenses, judgments, fines, settlements and other losses and damages arising out of their services to the Company. The indemnification obligations are more fully described in the Company's operating agreement. Since a maximum obligation is not explicitly stated in the Company's operating agreement and will depend on the facts and circumstances that arise out of any future claims, the overall maximum amount of the obligations cannot be reasonably estimated. The Company has not incurred any material costs as a result of such indemnifications and is not currently aware of any indemnification claims.

12. Long-Term Debt

Convertible Notes

In September 2020, the Company entered into a secured convertible loan agreement (the "Loan and Security Agreement" or the "Loan") with Avenue Venture Opportunity Fund L.P. ("Avenue"), whereby the Company could borrow up to a maximum of $10.0 million, with $3.0 million being immediately available. The remaining $7.0 million available could be borrowed if Avenue received evidence of at least $40.0 million of net cash proceeds from the sale or issuance of securities to existing investors, or upfront payments in connection with strategic partnerships by March 31, 2021. The Company opted not to drawn down this additional amount as of December 31, 2020, and the option has since expired undrawn. Avenue has the right, while the Loan is outstanding, to convert, at any time, an amount up to $3.0 million of the outstanding loan principal into the previous round of preferred units issued by the Company, currently Series E preferred, or the then current series of units subject to the Company's most current round of financing, at a 20% premium of the latest preferred unit offering price. In exchange for access to this facility, the Company agreed to issue warrants exercisable into the Company's preferred units amounting to $0.9 million; the Company subsequently granted 118,929 Series E warrants with an exercise price of $7.1471 per unit (Note 8). The Company recorded the issuance-date fair value of the Series E warrants of $0.3 million as a warrant liability, and is amortizing the associated debt discount of $0.3 million as interest expense over the expected term of the Loan. In the year ended December 31, 2020, the Company recorded less than $0.1 million of related interest expense.

In the event of a qualified financing, whereby the Company raises capital of at least $75.0 million of total gross proceeds in cash, the Series E warrant will automatically convert into preferred units at a price equal to the issue price per share of the share issued in the qualified financing and on the same terms and conditions of such qualified financing.

The Loan is interest only until September 2021 and bears interest at a variable rate of interest per annum equal to the sum of (i) the greater of (A) the Prime Rate and (B) three and one-quarters percent (3.25%), plus (ii) eight percent (8.00%), compounded monthly until its maturity date of September 2023, at which time all outstanding principal and interest will become due and payable in cash if not already converted. The Company's obligations under the Loan are secured by a first priority security interest in substantially all of its assets. The Loan includes customary events of default, including instances of a material adverse change in the Company's

operations, which may require prepayment of the outstanding Loan. Debt issuance costs of $0.5 million, including the estimated fair value of the Series E warrant of $0.3 million described above, are being accreted to interest expense over the life of the Loan. In addition to the final payment, the Company will pay an amount equal to 4.25% of the original commitment, this is being accrued over the life of the Loan through interest expense. Upon issuance, the Loan had an effective interest rate of 20.56% per year.

The Loan contains a contingent interest feature in the event of default that is not clearly and closely related to the underlying note and meets the definition of a derivative. The Company concluded that the fair value of this derivative was insignificant at December 31, 2020.

The Loan and Security Agreement contains negative and affirmative covenants, including covenants that restrict the ability of the Company and its current and future subsidiaries ability to, among other things, incur or prepay existing indebtedness, pay dividends or distributions, dispose of assets, engage in mergers and consolidations, make acquisitions or other investments, and make changes in the nature of the business. The Loan and Security Agreement also contains certain objective events of default, including, without limitation, nonpayment of principal, interest or other obligations, violation of the covenants, insolvency, court ordered judgments, and change in control. The Loan and Security Agreement also requires the Company to provide audited consolidated financial statements to the lenders no later than 120 days after year-end.

The Company was in compliance with all of the debt covenants under the Loan and Security Agreement as of December 31, 2020 and there were no events of default during the year ended December 31, 2020.

Paycheck Protection Program Loan

In April 2020, the Company received a $1.3 million small business loan under the Paycheck Protection Program (“PPP Loan”) as part of the CARES Act. The PPP Loan matures in April 2022, and bears interest at a rate of 1.0% per annum. The PPP Loan is evidenced by a promissory note, which contains customary events of default relating to, among other things, payment defaults and breaches of representations and warranties. The PPP Loan may be prepaid by us at any time prior to maturity with no prepayment penalties.

All or a portion of the PPP Loan may be forgiven by the U.S. Small Business Administration (“SBA”) upon the application and upon documentation of expenditures in accordance with the SBA requirements. Under the CARES Act and Payroll Protection Program Flexibility Act, loan forgiveness is available for the sum of documented payroll costs, covered mortgage interest, covered rent payments and covered utilities during the 24 week period beginning on the date of loan disbursement. For purposes of the PPP Loan, payroll costs exclude compensation of an individual employee in excess of $100,000, annualized and prorated for the covered period. Not more than 40% of the forgiven amount may be for non-payroll costs. Forgiveness is reduced if full-time headcount declines during the covered period as compared to specified reference periods, or if salaries and wages for employees with salaries of $100,000 or less annually are reduced by more than 25%, unless certain safe harbors are satisfied. In the event the PPP Loan, or any portion thereof, is forgiven pursuant to the PPP Loan, the amount forgiven is applied to outstanding principal and includes accrued interest.

As the legal form of the PPP Loan is a debt obligation, the Company has accounted for this loan as long-term debt.

The Company has used all proceeds from the PPP Loan to retain employees, maintain payroll and make lease and utility payments. The Company believes it would qualify for forgiveness for all of the loan amount. If the Company completes its IPO, it plans to repay the loan in full with proceeds raised from the IPO. The Company was in compliance with all of the debt covenants under the PPP Loan and there were no events of default during the year ended December 31, 2020.

As of December 31, 2020, future principal payments for the Company's long term debt are as follows (in thousands):

Years Ending December 31,	
2021	$ 1,350
2022	1,779
2023	1,125
Total principal payments	4,254
Less: amount representing debt discount	(492)
Add: amount representing interest	9
Present value of remaining debt payments	3,771
Less: current portion	(1,359)
Total long-term debt, less current portion	$ 2,412

13. Net Loss Per Unit

The following table sets forth the computation of basic and diluted net loss per unit (in thousands, except for units and per unit data):

	Years Ended December 31,	
	2019	2020
Numerator:		
Net loss	$ (26,587)	$ (16,703)
Denominator:		
Weighted average common units outstanding—basic and diluted	46,890,280	46,890,280
Net loss per unit—basic and diluted	$ (0.57)	$ (0.36)

The following table shows the total outstanding securities considered anti-dilutive and therefore excluded from the computation of diluted net loss per unit:

	Years Ended December 31,	
	2019	2020
Preferred units	17,084,696	26,983,816
Units reserved for Profits Interests	6,616,350	6,926,358
Common unit warrants	229,315	229,315
Preferred unit warrants	107,357	118,929
Total	24,037,718	34,258,418

The impact of the conversion of the Loan has also been excluded as it would be anti-dilutive.

14. Income Taxes

The Company is treated as a flow-through entity for federal and state income tax purposes. The income or loss generated by this entity is not taxed at the LLC level. As such, the Company's income tax provision consists solely of the activity of its taxable subsidiary, RMS, which is taxed as a corporation for federal income tax purposes.

Income tax expense consisted of the following for the years ended (in thousands):

	December 31, 2019	December 31, 2020
Current		
Federal	$ —	$ 34
State	—	1
Total current	—	35
Deferred		
Federal	—	—
State	—	—
Total deferred	—	—
Income tax expense	$ —	$ 35

The effective tax rate for the years ended December 31, 2019 and 2020 is different from the federal statutory rate primarily due to the valuation allowance against deferred tax assets as a result of insufficient sources of income and pass-through income not subject to income tax. A reconciliation between the Company's effective tax rate and the applicable U.S. federal statutory income tax rate is summarized as follows:

	December 31, 2019	December 31, 2020
Federal statutory rate	21.0%	21.0%
State tax, net of federal tax benefit	— %	(0.3)%
Pass-through income not subject to tax	(21.0)%	(21.9)%
Research and development credits	— %	3.8%
Uncertain tax position	— %	(0.6)%
Change in valuation allowance	— %	(2.2)%
Effective tax rate	— %	(0.2)%

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes. The components that comprise the Company's net deferred taxes consist of the following (in thousands):

	December 31, 2019	December 31, 2020
Deferred tax assets		
Accruals	$ —	$ 32
Research and development credits	—	350
Total gross deferred tax assets	—	382
Valuation allowance	—	(369)
Net deferred tax asset	—	13
Deferred tax liability		
Prepaid insurance	—	(13)
Net deferred tax asset	$ —	$ —

The Company determines its valuation allowance on deferred tax assets by considering both positive and negative evidence in order to ascertain whether it is more likely than not that deferred tax assets will be realized. Realization of deferred tax assets is dependent upon the generation of future taxable income, if any, the

timing and amount of which are uncertain. Because of the Company's recent history of operating losses, the Company believes that recognition of the deferred tax assets arising from the above-mentioned future tax benefits is currently not likely to be realized and accordingly, has provided a valuation allowance on its deferred tax assets. The valuation allowance increased by $0.4 million for the year ended December 31, 2020, primarily due to the increase in the Company's research and development tax credits.

As of December 31, 2020, the Company had federal and California research tax credits of approximately $0.2 million and $0.3 million, respectively. The federal research credits begin to expire in 2040, and the California research tax credits do not expire and can be carried forward indefinitely.

Pursuant of Internal Revenue Code ("IRC") Sections 382 and 383, annual use of the Company's research and development credit carryforwards may be limited in the event accumulative change in ownership of more than 50% occurs within a three-year period. As of December 31, 2020, the Company has not performed an IRC Section 382 or 383 analysis. If a change in ownership were to have occurred, additional tax credit carryforwards could be eliminated or restricted. If eliminated, the related asset would be removed from the deferred tax asset schedule with a corresponding reduction in the valuation allowance.

The Company is subject to U.S. federal and California income taxes and is not currently under examination by any federal or state taxing authorities. The federal and California returns for tax years 2016 through 2020 remain open to examination.

The following table summarizes the changes in the amount of the unrecognized tax benefits (in thousands):

	December 31,	
	2019	2020
Balance at the beginning of the year	$ —	$ —
Increase related to current year positions	—	104
Balance at the end of the year	$ —	$ 104

Included in the balance of unrecognized tax benefits at December 31, 2020 is $0.1 million that if recognized would impact the Company's income tax benefit and effective tax rate. The Company does not expect any significant increases or decreases in its unrecognized tax benefits within the next twelve months.

15. Subsequent events

The Company has evaluated subsequent events through April 26, 2021, the date these consolidated financial statements were available to be issued.

In January 2021 the Company issued 884,276 units of Series E preferred units for gross proceeds of $6.3 million.

In April 2021, Rani Therapeutic Holdings, Inc. ("Rani Holdings") was incorporated and issued common stock to Rani LLC, making Rani Holdings a wholly owned subsidiary of the Company.

RANI THERAPEUTICS, LLC
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except unit amounts)

	December 31, 2020	March 31, 2021 (Unaudited)
Assets		
Current assets:		
Cash and cash equivalents	$ 73,058	$ 76,662
Related party note receivable	1,720	—
Prepaid expenses	167	140
Total current assets	74,945	76,802
Deferred financing costs	—	785
Property and equipment, net	4,470	4,490
Total assets	$ 79,415	$ 82,077
Liabilities, Convertible Preferred Units and Members' Deficit		
Current liabilities:		
Accounts payable	$ 537	$ 943
Related party payable	145	346
Accrued expenses	550	1,890
Deferred revenue	2,717	1,961
Current portion of long-term debt	1,359	1,946
Total current liabilities	5,308	7,086
Preferred unit warrant liability	320	536
Long-term debt, less current portion	2,412	1,892
Total liabilities	8,040	9,514
Commitments and contingencies (Note 10)		
Convertible preferred units, 32,620,000 units authorized, and 26,745,528 and 27,629,804 units issued and outstanding at December 31, 2020 and March 31, 2021, respectively	184,714	191,034
Members' deficit:		
Common units, 101,000,000 units authorized, and 46,890,280 and 46,896,280 units issued and outstanding at December 31, 2020 and March 31, 2021, respectively	664	1,130
Accumulated deficit	(114,003)	(119,601)
Total members' deficit	(113,339)	(118,471)
Total liabilities, convertible preferred units and members' deficit	$ 79,415	$ 82,077

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

RANI THERAPEUTICS, LLC
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except unit and per unit amounts)
(Unaudited)

	Three Months Ended March 31,	
	2020	2021
Contract revenue	$ 83	$ 756
Operating expenses		
Research and development	4,060	3,347
General and administrative	1,407	2,607
Total operating expenses	$ 5,467	$ 5,954
Loss from operations	(5,384)	(5,198)
Other income (expense), net		
Interest income	62	47
Interest expense and other, net	—	(188)
Change in estimated fair value of preferred unit warrant	(17)	(216)
Loss before income taxes	(5,339)	(5,555)
Income tax expense	(11)	(43)
Net loss and comprehensive net loss	$ (5,350)	$ (5,598)
Net loss per unit, basic and diluted	$ (0.11)	$ (0.12)
Weighted-average common units outstanding—basic and diluted	46,890,280	46,895,880

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

RANI THERAPEUTICS, LLC
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN CONVERTIBLE PREFERRED UNITS AND MEMBERS' DEFICIT
(in thousands, except unit amounts)
(Unaudited)

For the Three Months Ended March 31, 2020 (unaudited)	Convertible Preferred		Common		Accumulated Deficit	Total Members' Deficit
	Units	Amount	Units	Amount		
Balance at December 31, 2019	17,084,696	$115,505	46,890,280	$ 664	$ (97,300)	$ (96,636)
Net loss	—	—	—	—	(5,350)	(5,350)
Balance at March 31, 2020	17,084,696	$115,505	46,890,280	$ 664	$ (102,650)	$ (101,986)

For the Three Months Ended March 31, 2021 (unaudited)	Convertible Preferred		Common		Accumulated Deficit	Total Members' Deficit
	Units	Amount	Units	Amount		
Balance at December 31, 2020	26,745,528	$ 184,714	46,890,280	$ 664	$ (114,003)	$ (113,339)
Issuance of Series E preferred units	884,276	6,320	—	—	—	—
Exercise of warrant for common units	—	—	6,000	13	—	13
Equity-based compensation	—	—	—	453	—	453
Net loss	—	—	—	—	(5,598)	(5,598)
Balance at March 31, 2021	27,629,804	$ 191,034	46,896,280	$ 1,130	$ (119,601)	$ (118,471)

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

RANI THERAPEUTICS, LLC
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Three Months Ended March 31,	
	2020	2021
Cash flows from operating activities		
Net loss	$ (5,350)	$ (5,598)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	153	136
Equity-based compensation expense	—	453
Change in fair value of preferred unit warrant liability	17	216
Other	—	67
Changes in operating assets and liabilities:		
Prepaid expenses and other assets	(10)	27
Related party receivable	(51)	—
Accounts payable	778	385
Accrued expenses	(113)	821
Related party payable	(1,463)	201
Deferred revenue	(83)	(756)
Net cash used in operating activities	(6,122)	(4,048)
Cash flows from investing activities		
Purchases of property and equipment	(900)	(99)
Net cash used in investing activities	(900)	(99)
Cash flows from financing activities		
Proceeds from issuance of preferred units, net of issuance costs	—	6,320
Proceeds from exercise of warrants for common units	—	13
Payment of deferred offering costs	—	(302)
Principal and interest repayments from related party for note receivable	—	1,720
Net cash provided by financing activities	—	7,751
Net (decrease) increase in cash and cash equivalents	(7,022)	3,604
Cash and cash equivalents, beginning of year	16,536	73,058
Cash and cash equivalents, end of year	$ 9,514	$ 76,662
Supplemental disclosures of cash flow information		
Cash paid for interest	$ —	$ 84
Supplemental disclosures of non-cash investing and financing activities		
Property and equipment purchases included in accounts payable and accrued expenses	$ 137	$ 58
Deferred financing costs included in accrued expenses	$ —	$ 483

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

RANI THERAPEUTICS LLC
NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Organization and Nature of Business

Description of Business

Rani Therapeutics, LLC ("Rani" or the "Company") is a clinical stage biotherapeutics company advancing technologies to enable the development of orally administered biologics. The Company has developed the RaniPill capsule, which is a novel, proprietary and patented platform technology, intended to replace subcutaneous or intravenous injection of biologics with oral dosing. The Company was organized under the laws of the State of California in February 2012, as a limited liability company. The Company is managed by a board of managers ("Board of Managers") as prescribed by its operating agreement. The Company formed a wholly-owned subsidiary, Rani Management Services, Inc. ("RMS") in November 2019. The Company is headquartered in San Jose, California and operates in one segment.

Up to December 31, 2019, Rani maintained no employees of its own and contracted with InCube Labs, LLC ("ICL"), the majority common unit holder of the Company and a related party, to provide research, development and administrative services. ICL and Rani have common management and interest holders and, in the course of performing under the terms of the service agreements, ICL employees acted on behalf of Rani. Effective January 1, 2020, the ICL personnel that were substantially dedicated to providing services to Rani were hired by RMS as full-time employees (see Note 6).

Liquidity

The Company has incurred recurring losses since its inception, including net losses of $5.6 million for the three months ended March 31, 2021. As of March 31, 2021, the Company had an accumulated deficit of $119.6 million and for the three months ended March 31, 2021 had negative cash flows from operations of $4.0 million. The Company expects to continue to generate operating losses and negative operating cash flows for the foreseeable future as it continues to develop the RaniPill capsule. The Company expects that its cash and cash equivalents of $76.7 million as of March 31, 2021 will be sufficient to fund its operations through at least one year from the date the condensed consolidated financial statements are available to be issued. The Company expects to finance its future operations with its existing cash and through strategic financing opportunities that could include, but are not limited to, an initial public offering ("IPO") of common stock, future offerings of its equity, collaboration or licensing agreements, or the incurrence of debt. However, there is no guarantee that any of these strategic or financing opportunities will be executed or realized on favorable terms, if at all, and some could be dilutive to existing investors. The Company will not generate any revenue from product sales unless, and until, it successfully completes clinical development and obtains regulatory approval for the RaniPill capsule. If the Company obtains regulatory approval for the RaniPill capsule, it expects to incur significant expenses related to developing its internal commercialization capability to support manufacturing, product sales, marketing, and distribution.

The Company's ability to raise additional capital through either the issuance of equity or debt, is dependent on a number of factors including, but not limited to, the demand for the Company, which itself is subject to a number of development and business risks and uncertainties, as well as the uncertainty that the Company would be able to raise such additional capital at a price or on terms that are favorable to the Company.

2. Summary of Significant Accounting Policies

Basis of Presentation

These condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiary. All intercompany accounts and transactions have been eliminated in consolidation.

Unaudited Interim Condensed Financial Statements

The accompanying condensed consolidated balance sheet as March 31, 2021, condensed consolidated statements of operations and comprehensive loss and cash flows for the three months ended March 31, 2020 and 2021, condensed consolidated statement of changes in convertible preferred units and members' deficit for the three months ended March 31, 2020 and 2021, and related interim condensed consolidated notes are unaudited. In management's opinion, the unaudited condensed consolidated financial statements have been prepared on the same basis as the audited annual consolidated financial statements, and include all adjustments necessary to state fairly the financial position as of March 31, 2021 results of operations and cash flows for the three months ended March 31, 2020 and 2021; and the condensed consolidated statement of changes in convertible preferred units and members' deficit for the three months ended March 31, 2020 and 2021. The consolidated balance sheet as of December 31, 2020 included herein was derived from the audited financial statements as of that date. The results for the three months ended March 31, 2021 are not necessarily indicative of the operating results to be expected for the full fiscal year or any future period. Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with GAAP have been condensed or omitted. Therefore, these interim condensed financial statements should be read in conjunction with the Company's audited financial statements included elsewhere in this prospectus.

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and the disclosure of contingent assets and liabilities in the Company's consolidated financial statements and accompanying notes. These estimates and assumptions are based on current facts, historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities and the recording of expenses that are not readily apparent from other sources. Significant estimates include, but are not limited to, recovery of long-lived assets, unvested equity-based compensation expense, research and development accruals, the fair value of Profits Interests, and the fair value of the Company's preferred unit warrants. Actual results may differ materially and adversely from these estimates.

Revenue Recognition

The Company enters into evaluation and first rights arrangements with certain pharmaceutical partners, under which the Company performs evaluation services of the partner's drug molecules using the RaniPill capsule.

Revenue is recognized when control of promised goods or services is transferred to a customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. To determine revenue recognition for its arrangements with customers, the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

Revenue for an individual contract is recognized at the related transaction price, which is the amount the Company expects to be entitled to in exchange for transferring these services. The terms of the evaluation services agreements usually include payments for evaluation services and evaluation milestones based on a decision to extend the agreement. The transaction price of the evaluation services contracts may include variable consideration. Application of the constraint for variable consideration requires judgment. The constraint for variable consideration is applied such that it is probable a significant reversal of revenue will not occur when the uncertainty associated with the contingency is resolved. Application of the constraint for variable consideration is updated at each reporting period as a revision to the estimated transaction price. For arrangements where the

anticipated period between timing of transfer of services and the timing of payment is one year or less, the Company has elected to not assess whether a significant financing component exists. The Company recognizes evaluation services revenue over the period in which evaluation services are provided. Specifically, the Company recognizes revenue using an output method to measure progress, using samples processed relative to total expected samples to be processed as its measure of progress. For services under these arrangements, costs incurred are included in research and development expenses in the Company's consolidated statements of operations and comprehensive loss.

Customer options, such as options granted to allow a customer to acquire later stage evaluation services, are evaluated at contract inception in order to determine whether those options provide a material right (i.e., an optional good or service offered for free or at a discount) to the customer. If the customer options represent a material right, the material right is treated as a separate performance obligation at the outset of the arrangement. The Company allocates the transaction price to material rights based on the standalone selling price, and revenue is recognized when or as the future goods or services are transferred or when the option expires. Customer options that are not material rights do not give rise to a separate performance obligation, and as such, the additional consideration that would result from a customer exercising an option in the future is not included in the transaction price for the current contract. Instead, the option is deemed a marketing offer, and additional option fee payments are recognized or being recognized as revenue when the licensee exercises the option. The exercise of an option that does not represent a material right is treated as a separate contract for accounting purposes.

Revenue is recognized for each distinct performance obligation as control is transferred to the customer. The Company recognizes revenue from its evaluation services over time as services are delivered, using a cost-based input method of revenue recognition over the contract term. The cost-based input measured is based on an estimate of total costs to be incurred to deliver the services over the contract period compared to costs incurred to date for each contract. The Company's evaluation of estimated costs to perform the services typically includes estimates for effort related to contracted research, formulation, and animal testing. These estimates are based on the Company's reasonable assumptions and its historical experience. Actual results may differ materially and adversely from these estimates.

Incremental costs of obtaining contracts are expensed when incurred when the amortization period of the assets that otherwise would have been recognized is one year or less. To date none of these costs have been material. The costs to fulfill the contracts are determined to be immaterial and are recognized as an expense when incurred.

Contract assets are generated when contractual billing schedules differ from revenue recognition timing and the Company records contract receivable when it has an unconditional right to consideration. No contract assets balance was recorded as of December 31, 2020 and March 31, 2021.

Contract liabilities are recorded as deferred revenue when cash payments are received or due in advance of performance or where the Company has unsatisfied performance obligations. As of December 31, 2020, and March 31, 2021 the Company had deferred revenue of $2.7 million and $2.0 million, respectively.

Concentrations of Credit Risk and Other Risks and Uncertainties

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents. The Company maintains accounts in federally insured financial institutions in excess of federally insured limits. The Company also holds money market funds that are not federally insured. However, management believes the Company is not exposed to significant credit risk due to the financial strength of the depository institutions in which these deposits are held and of the money market funds and other entities in which these investments are made.

In December 2019, a novel strain of coronavirus, which causes the disease known as COVID-19, was reported to have surfaced in Wuhan, China. Since then, COVID-19 coronavirus has spread globally. In March 2020, the World Health Organization declared the COVID-19 outbreak a pandemic. The COVID-19 pandemic has and may continue to impact the Company's third-party manufacturers and suppliers, which could disrupt its supply chain or the availability or cost of materials. The effects of the public health directives and the Company's work-from-home policies may negatively impact productivity, disrupt its business, and delay clinical programs and timelines and future clinical trials, the magnitude of which will depend, in part, on the length and severity of the restrictions and other limitations on the Company's ability to conduct business in the ordinary course. These and similar, and perhaps more severe, disruptions in the Company's operations could negatively impact business, results of operations and financial condition, including its ability to obtain financing. To date, the Company has not incurred impairment losses in the carrying values of its assets as a result of the pandemic and is not aware of any specific related event or circumstances that would require the Company to revise its estimates reflected in these consolidated financial statements.

The Company cannot be certain what the overall impact of the COVID-19 pandemic will be on its business and prospects. The extent to which the COVID-19 pandemic will further directly or indirectly impact its business, results of operations, financial condition, and liquidity, including planned and future clinical trials and research and development costs, will depend on future developments that are highly uncertain, including as a result of new information that may emerge concerning COVID-19, the actions taken to contain or treat it, and the duration and intensity of the related effects. In addition, the Company could see some limitations on employee resources that would otherwise be focused on its operation, including but not limited to sickness of employees or their families, the desire of employees to avoid contact with large groups of people, and increased reliance on working from home. If the financial markets and/or the overall economy are impacted for an extended period, the Company's business, financial condition, results of operations and prospects may be adversely affected.

Fair Value of Financial Instruments

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. Financial assets and liabilities carried at fair value are to be classified and disclosed in one of the following three levels of the fair value hierarchy, of which the first two are considered observable and the last is considered unobservable:

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

Level 2—Observable inputs (other than Level 1 quoted prices), such as quoted prices in active markets for similar assets or liabilities, quoted prices in markets that are not active for identical or similar assets or liabilities, or other inputs that are observable or can be corroborated by observable market data.

Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to determining the fair value of the assets or liabilities, including pricing models, discounted cash flow methodologies and similar techniques.

The carrying values of the Company's cash equivalents, prepaid expenses, accounts payable, and accruals approximate their fair value due to their short-term nature. The fair value of the Company's long-term debt approximates its carrying value based on borrowing rates currently available to the Company for debt with similar terms and maturities (Level 2 inputs).

To the extent that the valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgement exercised by the Company in determining fair value is greatest for instruments categorized in Level 3 (see

Note 3). A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value of the instrument.

Notes Receivable from Related Party

The principal balance on the notes receivable from related party is recorded on the condensed consolidated balance sheet along with earned and not yet received interest income. The principal balance is classified on the consolidated balance sheet based upon the expected timing of the repayments by the related party. Interest income received and receivable on the related party notes receivable is recorded as a component of interest income in the condensed consolidated statement of operations and comprehensive loss. Associated interest earned is recognized using the effective interest method. The estimated fair value of the Company's related party notes receivable at December 31, 2019 2020 approximated its carrying value due to their short-term nature. The principal balance and interest income was fully repaid in the three months ended March 31, 2021.

Research and Development Costs

Research and development costs are expensed as incurred. Research and development expenses consist primarily of contract research fees and process development, outsourced labor and related expenses for personnel, facilities cost, fees paid to consultants and advisors, depreciation and supplies used in research and development and costs incurred under our evaluation agreements. Payments made prior to the receipt of goods or services to be used in research and development activities are recorded as prepaid expenses until the related goods or services are received. Until future commercialization is considered probable and the future economic benefit is expected to be realized the Company does not capitalize pre-launch inventory costs. Costs of property and equipment related to scaling-up of the manufacturing capacity for clinical trials and to support commercialization are capitalized as property and equipment unless the related asset does not have an alternative future use.

Clinical and preclinical costs are a component of research and development expense. The Company accrues and expenses clinical and pre-clinical trial activities performed by third parties based upon actual work completed in accordance with agreements established with its service providers. The Company determines the actual costs through discussions with internal personnel and external service providers as to the progress or stage of completion of services and the agreed-upon fee to be paid for such services.

Equity-Based Compensation

The Company has granted equity-based awards to employees of ICL performing services for the Company, employees of the Company and consultants in the form of non-vested incentive units ("Profits Interests"). All awards of Profits Interests are measured based on the estimated fair value of the award on the date of grant. Forfeitures are recognized when they occur. All of the Profits Interests are subject to service and performance-based conditions and the Company evaluates the probability of achieving each performance-based condition at each reporting date and begins to recognize distribution of equity for ICL employee awards and equity-based compensation expense for Company and consultant awards when it is deemed probable that the performance-based condition will be met using the accelerated attribution method over the requisite service period.

The Company utilizes estimates and assumptions in determining the fair value of its Profits Interests on the date of grant. The Company utilized various valuation methodologies in accordance with the framework of the American Institute of Certified Public Accountants Technical Practice Aid, *Valuation of Privately Held Company Equity Securities Issued as Compensation*, to estimate the fair value of its preferred units and Profits Interests. Each valuation methodology includes estimates and assumptions that require the Company's judgment. These estimates and assumptions include several objective and subjective factors, including probability weighting of events, volatility, time to an exit event, a risk-free interest rate, the prices at which the Company

sold preferred units, the superior rights, and preferences of the preferred units senior to the Company's common units at the time, and a discount for the lack of marketability. Changes to the key assumptions used in the valuations could result in different fair values at each valuation date.

Convertible Preferred Units

The Company records convertible preferred units at fair value on the dates of issuance, net of issuance costs. The Company has classified convertible preferred units as temporary equity in the accompanying condensed consolidated balance sheets due to terms that allow for redemption of the units in cash upon certain change in control events that are not within the Company's control, including the sale or transfer of the Company.

The carrying values of the convertible preferred units are adjusted to their liquidation preferences if and when it becomes probable that such a liquidation even will occur. The Company did not accrete the value of the convertible preferred units to their redemption values since a liquidation event was not considered probable as of December 31, 2020 or March 31, 2021. Subsequent adjustments of the carrying values to the ultimate redemption values will only be made when it becomes probable that such liquidation events will occur, causing the units to become redeemable.

The Company also evaluates the features of its convertible preferred units to determine if the features require bifurcation from the underlying units, by evaluating if they are clearly and closely related to the underlying units and if they do, or do not, meet the definition of a derivative.

Preferred Unit Warrant Liability

Outstanding warrants to purchase preferred units of the Company are classified as liabilities in the accompanying condensed consolidated balance sheets due to a contingent redemption right of the holder of the preferred unit warrants that is outside of the control of the Company that precludes equity classification. Such preferred unit warrants are subject to re-measurement at the end of each reporting period. The Company estimates the fair value of preferred unit warrants at each reporting period, using a hybrid between the probability weighted expected return and option pricing methods, estimating the probability weighted value across multiple scenarios, but using the option pricing method to estimate the allocation of value within one or more of those scenarios, until the earlier of the exercise of the preferred unit warrants, at which time the liability will be revalued and reclassified to members' deficit, the expiration of the preferred unit warrants, or the completion of a liquidation event, including the completion of an IPO. The determination of fair value of these preferred unit warrants requires management to make certain assumptions regarding subjective input variables such as estimated fair value of the underlying convertible preferred units at the measurement date, timing and likelihood of achieving a liquidity event, risk free interest rates, expected volatility, and a discount for lack of marketability reflective of the different rights of the preferred unit warrant holders. If actual results are not consistent with the Company's assumptions and judgments used in making these estimates, the Company may be required to increase or decrease other income (expense), net, which could be material to the Company's condensed consolidated results of operations.

Comprehensive Loss

Comprehensive loss is defined as a change in equity of a business enterprise during a period, resulting from transactions and other events and/or circumstances from non-owner sources. The Company did not have any other comprehensive loss for any of the periods presented, and therefore comprehensive loss was the same as the Company's net loss.

Net Loss Per Unit

Basic net loss per unit is computed using the weighted-average number of common units outstanding for the period, without consideration of potential dilutive securities. Diluted net loss per unit is computed using the

weighted-average number of common units outstanding during the period and, if dilutive, the weighted-average number of potential common units. Net loss per unit attributable to common unitholders is calculated using the two-class method, which is an earnings allocation formula that determines net loss per unit for the holders of the Company's common units and participating securities.

The preferred unit warrants and convertible note are non-participating securities, while the Profits Interests participate in the gains and losses of the Company once the participation threshold is reached. The Company's convertible preferred units contains participation rights in any dividend paid by the Company and are deemed to be participating securities. The convertible preferred units do not include a contractual obligation to participate in losses of the Company and are not included in the calculation of net loss per unit in the periods in which a net loss is recorded. The Company's convertible preferred units, common unit warrants, preferred unit warrants, convertible notes and Profits Interests are considered potentially dilutive.

The Company makes adjustments to diluted net loss to reflect the reversal of gains on the change in the value of preferred unit warrant liabilities, assuming conversion of warrants to acquire convertible preferred units at the beginning of the period or at time of issuance, if later, to the extent that those preferred unit warrants are dilutive. The Company computes diluted net loss per unit after giving consideration to all potentially dilutive common units outstanding during the period, determined using the treasury stock and if-converted methods, as applicable, except where the effect of including such securities would be antidilutive.

For the three months ended March 31, 2020 and 2021, the Company reported a net loss. The potentially dilutive common units were anti-dilutive, except for the series B preferred unit warrants, which were considered dilutive but did not affect the net loss per share. As a result, basic and diluted net loss per unit were the same.

Deferred initial public offering costs

Deferred offering costs, which consist of direct incremental legal, consulting, banking and accounting fees primarily relating to the Company's contemplated IPO, are capitalized and will be offset against proceeds upon the consummation of the offering within members' deficit. In the event an anticipated offering is terminated, deferred IPO offering costs will be expensed. As of December 31, 2020, there were no capitalized deferred IPO offering costs on the condensed consolidated balance sheet. As of March 31, 2021, there were $0.8 million of deferred IPO offering costs recorded as a long term asset on the condensed consolidated balance sheet.

Emerging Growth Company Status

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

New Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (the "FASB") issued ASU 2016-02, *Leases* ("Topic 842"), as subsequently amended, to improve financial reporting and disclosures about leasing transactions. Topic 842 requires companies that lease assets to recognize on the condensed consolidated balance sheet the assets and liabilities for the rights and obligations created by those leases, where the lease terms exceed

12 months. The recognition, measurement, and presentation of expense and cash flows arising from a lease by a lessee will depend primarily on its classification as a finance or operating lease; both types of leases will be recognized on the condensed consolidated balance sheet. Topic 842 also requires disclosures to help financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases. On June 3, 2020, the FASB amended the effective dates of Topic 842 to give immediate relief from business disruptions caused by the COVID-19 pandemic and provided a one-year deferral of the effective date for nonpublic companies. As a result of the Company having elected the extended transition period for complying with new or revised accounting standards pursuant to Section 107(b) of the JOBS Act, and assuming the Company continues to be considered an emerging growth company, Topic 842 will be effective for the Company on January 1, 2022. The Company has not yet determined the effects of Topic 842 on its condensed consolidated financial statements but does expect that it will result in enhanced disclosures.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses* ("ASU 2016-13") to require the measurement of expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions and reasonable forecasts. The main objective of this ASU is to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments and other commitments to extend credit held by a reporting entity at each reporting date. As a result of the Company having elected the extended transition period for complying with new or revised accounting standards pursuant to Section 107(b) of the JOBS Act, and assuming the Company continues to be considered an emerging growth company, ASU 2016-13 will be effective for the Company on January 1, 2023. The Company has not yet determined the potential effects of ASU 2016-13 on its condensed consolidated financial statements and disclosures.

3. Fair Value Measurements

The following table presents information about the Company's financial assets and liabilities measured at fair value on a recurring basis and indicates the level of inputs used in such measurements (in thousands):

	As of December 31, 2020		
	Level 1	Level 2	Level 3
Assets:			
Money market funds	$71,666	$ —	$ —
Total assets	**$71,666**	**$ —**	**$ —**
Liabilities:			
Preferred unit warrant liability	$ —	$ —	$ 320
Total liabilities	**$ —**	**$ —**	**$ 320**

	As of March 31, 2021		
	Level 1	Level 2	Level 3
Assets:			
Money market funds	$74,527	$ —	$ —
Total assets	**$74,527**	**$ —**	**$ —**
Liabilities:			
Preferred unit warrant liability	$ —	$ —	$ 536
Total liabilities	**$ —**	**$ —**	**$ 536**

The Company estimates the fair value of its money market funds by taking into consideration valuations obtained from third-party pricing services. The pricing services utilize industry standard valuation models, including both income and market-based approaches, for which all significant inputs are observable, either directly or indirectly, to estimate fair value.

There were no transfers between Level 1, Level 2 and Level 3 of the fair value hierarchy for any of the periods presented.

The Company holds a Level 3 liability associated with preferred unit warrants that were issued in connection with the Company's convertible note and preferred unit financings. The warrants are accounted for as liabilities.

The following table summarizes the significant unobservable inputs used in the fair value measurement of the preferred unit warrant liability as of March 31, 2021:

Fair Value (in thousands)	Valuation Technique	Unobservable Input	Range	Weighted Average
$536	Hybrid between the probability weighted expected return and option pricing methods	Time to exit	0.4 - 2.5 years	0.4 years
		Probability of exit events	50%	50%
		Discount for lack of marketability	10% - 31%	10%
		Volatility	75%	75%

Significant increases or decreases in time to exit, probability of exit, discount for lack of marketability and volatility would have resulted in a significantly lower or higher fair value measurement as of March 31, 2021.

The following tables set forth a summary of the changes in the fair value of the Company's liability measured using Level 3 inputs (in thousands):

	Three Months Ended March 31,	
	2020	2021
Balance at beginning of period	$ 655	$ 320
Change in fair value	17	216
Balance at end of period	**$ 672**	**$ 536**

4. Accrued Expenses

Accrued expenses consist of the following (in thousands):

	December 31, 2020	March 31, 2021
Accrued professional fees	$ —	$ 528
Payroll and related	136	509
Deferred financing costs	—	483
Other	414	370
Total accrued expenses	**$ 550**	**$ 1,890**

5. Evaluation Agreements

Takeda

In November 2017, the Company entered into an evaluation agreement with Shire International GmbH ("Shire"), a subsidiary of Takeda Pharmaceutical Company Limited ("Takeda") post acquisition of Shire by

Takeda in 2019, hereafter referred to as Takeda as the party to the agreement. Takeda is collaborating with the Company to conduct research on the use of the RaniPill capsule for the oral delivery of factor VIII ("FVIII") therapy for patients with hemophilia A. The agreement grants Takeda a right of first negotiation to a worldwide, exclusive license under the Company's intellectual property related to FVIII-RaniPill therapeutic. Takeda paid the Company an up-front payment of $2.1 million upon execution of the agreement. Upon the initial evaluation services being completed, Takeda may pay the Company $3.0 million to perform later stage evaluation services. Takeda may terminate the agreement at any time by providing 30 days written notice after the effective date of the agreement. Unless terminated early, the agreement term ends upon the expiration of the right of first negotiation period which is 120 days after the completion of the evaluation services. The Takeda agreement may be terminated for cause by either party based on uncured material breach by the other party or bankruptcy of the other party. Upon early termination, all ongoing activities under the agreement and all mutual collaboration, development and commercialization licenses and sublicenses will terminate.

In addition to the non-refundable upfront payment, Takeda also concurrently acquired 593,120 units of the Company's Series D convertible preferred units for $10.0 million at $16.86 per unit.

In May 2019, the Company entered into the first amendment to the Takeda agreement, which increased the scope of the agreement, and received an additional upfront payment of $0.8 million for the additional services to be performed. The first amendment to the Takeda agreement also provided Takeda an option to acquire later stage evaluation services for additional consideration. In April 2020, the Company entered into the second amendment to the Takeda agreement to perform additional in vivo studies, and received an additional upfront payment of $3.0 million. Both amendments were evaluated and concluded to be modifications of the Takeda agreement. The Company updated the transaction price and measure of progress for its single performance obligation. The cumulative catch-up related to the modifications was not material for any periods presented.

The Company concluded that Takeda is a customer, and the contract is not subject to guidance on collaborative arrangements, because the Company is providing research and development services, all of which are current outputs of the Company's ongoing activities, in exchange for consideration.

The Company identified one material promise under the Takeda agreement, the obligation to perform services to evaluate if Takeda's FVIII therapy can be orally delivered using the RaniPill capsule ("Research and Development Services"), which was concluded be a single performance obligation. The options to acquire later stage evaluation services were not determined to be material rights because they did not provide an incremental discount to Takeda for these futures services. The options were instead considered to be marketing offers and will be accounted for as separate contracts if exercised. The Company's participation on a Joint Oversight Committee was determined to be immaterial in the context of the agreement. The Company provided to Takeda standard indemnification and protection of licensed intellectual property, which is part of assurance that the license meets the contract's specifications and is not an obligation to provide goods or services. The right of first negotiation to a worldwide, exclusive license under the Company's intellectual property related to FVIII-RaniPill capsule was not considered to be a performance obligation because it does not require any specific action by the Company.

The transaction price at the inception of the Takeda agreement consisted of the upfront payment of $2.1 million and the $10.0 million received from Takeda for the purchase of the Company's Series D convertible preferred units. The sale of the Series D convertible preferred units was not considered to be a performance obligation as it was a separate financing component of the transaction participated in by other independent investors. Accordingly, $10.0 million of the transaction price was allocated to the issuance of 593,120 shares of Series D convertible preferred units at a fair value of $16.86 per unit and was recorded in members' deficit.

For revenue recognition purposes, the Company determined that the duration of the contract began on the effective date in November 2017 and ends upon completion of the Research and Development Services. The contract duration is defined as the period in which parties to the contract have present enforceable rights and

obligations. The Company also analyzed the impact of Takeda terminating the agreement prior to the completion of the performance obligation and determined, considering both quantitative and qualitative factors, that there were substantive non-monetary penalties to Takeda for doing so.

The Company has determined that the cost-based input method most faithfully depicts the transfer of its performance obligation to Takeda. Accordingly, the Company recognizes its contract revenue based on actual costs incurred as a percentage of total estimated costs the Company expects to incur to deliver its performance obligation. These actual costs consist of internal labor efforts, in vivo testing services and materials costs related to the Takeda agreement, as the costs incurred over time reflect the transfer of its performance obligations to Takeda. The cumulative effect of revisions to estimated costs to complete the Company's performance obligation will be recorded in the period in which changes are identified and amounts can be reasonably estimated. A significant change in these assumptions and estimates could have a material impact on the timing and amount of revenue recognized in future periods.

For three months ended March 31, 2020 and 2021, the Company recognized contract revenue related to the Takeda agreement of $0.1 million and $0.8 million, respectively. As of December 31, 2020 and March 31, 2021, deferred revenue related to the remaining identified performance obligation for the Takeda agreement of $2.7 million and $2.0 million was recorded on the condensed consolidated balance sheets.

In May 2021, the Company received notice from Takeda as to their intent to terminate the contract for convenience. The termination of the contract is considered a modification of an arrangement and will be accounted for when it occurs.

Novartis

In May 2015, the Company entered into an Evaluation and First Rights Agreement (the "Novartis Agreement") with Novartis Pharmaceuticals Corporation ("Novartis") in which the Company agreed to perform certain specified research for Novartis to evaluate two specified Novartis compounds with the Company's oral drug delivery technology. The Novartis Agreement grants Novartis a right of first negotiation to a worldwide, exclusive license under the Company's intellectual property related to a Novartis compound-RaniPill therapeutic. Novartis paid the Company an up-front payment of $7.0 million. Unless terminated early, the agreement term ends upon the expiration of the right of first negotiation period. Novartis also concurrently acquired 593,120 units of the Company's Series C convertible preferred units for $5.0 million.

In August 2019 and July 2020, the Company amended the Novartis Agreement to focus on one compound and extend the term of the right of first negotiation periods. Both amendments were entered into for administrative purposes, and the Company determined the amendments were not a modification of contract under the contracts with customers guidance.

The transaction price at the inception of the Novartis Agreement consisted of the upfront payment of $7.0 million and the $5.0 million received from Novartis for the purchase of the Company's Series C convertible preferred units. The sale of the Series C convertible preferred units was not considered to be a performance obligation as it was a separate financing component of the transaction participated in by other independent investors. Accordingly, $5.0 million of the transaction price was allocated to the issuance of shares of Series C convertible preferred units and recorded in members' deficit.

The Company concluded that Novartis is a customer, and the contract is not subject to guidance on collaborative arrangements. The Company identified one material promise under the Novartis Agreement, the obligation to perform research and development, which was concluded to be a single performance obligation. The Company determined that the cost-based input method most faithfully depicted the transfer of its performance obligation. The research and development services were completed in 2019.

There was no revenue recognized for either of the three months ended March 31, 2020 or 2021.

Changes in the deferred revenue balance are as follows (in thousands):

	December 31, 2020	March 31, 2021
Balance at beginning of period	$ 179	$ 2,717
Additions	3,000	—
Deductions	(462)	(756)
Balance at end of period	**$ 2,717**	**$ 1,961**

There were no receivables or net contract assets recorded as of December 31, 2020 or March 31, 2021 associated with the Takeda agreement.

The Company expensed all incremental costs of obtaining the Takeda agreements, as such amounts were insignificant.

6. Related Party Transactions

ICL is wholly-owned by the Company's Executive Chairman and his family. The Company's Chief Scientific Officer is the brother of the Executive Chairman and uncle of the Company's Chief Executive Officer and the Company's Special Projects Manager. The Executive Chairman of the Company, is also the father of the Company's Chief Executive Officer and the Company's Special Projects Manager.

Services agreements

In January 2019, the Company entered into a one year service agreement with ICL. This agreement was amended in January 2020 to extend the period for an additional year and expired in December 2020. The Company is presently operating under a service agreement with ICL executed in June 2021, effective January 1, 2021 (see Note 14). The Company or ICL may terminate services under the service agreement upon 60 days notice to the other party, except for occupancy which requires six months notice. The service agreement specifies the scope of services to be provided by ICL as well as the methods for determining the costs of services for the year ended December 31, 2021. Costs are billed on a monthly basis and based upon the hours incurred by ICL employees working on behalf of Rani as well as allocations of expenses based upon Rani's utilization of ICL's facilities and equipment. Effective January 1, 2020, the ICL personnel that were substantially dedicated to Rani were hired by RMS as full-time employees.

In addition, under a separate service agreement, RMS and ICL bill each other on the same cost basis described above for certain hours incurred by RMS employees performing services on behalf of ICL or for certain hours incurred by ICL employees performing services for RMS, as the case may be. For the three months ended March 31, 2020 and 2021, RMS charged ICL $0.1 million and $0.2 million for services performed, respectively, and such amounts charged were recorded as a reduction to research and development expense in the condensed consolidated statement of operations and comprehensive loss.

The table below details the amounts charged by ICL for services and rent included in the condensed consolidated statements of operations and comprehensive loss (in thousands):

	Three Months Ended March 31,	
	2020	2021
Research and development	$ 184	$ 33
General and administrative	244	182
Total	**$ 428**	**$ 215**

The Company's eligible employees are permitted to participate in ICL's 401(k) Plan ("401(k) Plan"). Participation in the 401(k) Plan is offered for the benefit of the employees, including the Company's named executive officers, and who satisfy certain eligibility requirements.

All of Rani LLC's facilities are owned by an entity affiliated with the Company's CEO. Rani LLC pays for the use of these facilities through the services agreement with ICL.

Financing activity

From inception to the first half of 2017, Rani advanced funds to ICL, and ICL made payments directly to certain vendors on behalf of Rani, Rani has reimbursed ICL for all such payments at cost on a monthly basis.

In June 2017, Rani converted the outstanding net advances of $6.6 million to ICL into three notes receivable. The notes provide for interest at 1.97% compounded annually, loan fees of 2.75% and are payable upon demand to Rani any time after January 1, 2024. During 2020, the Company received $0.2 million in payments for interest and repayment of principal on the remaining notes receivable.

As of December 31, 2020, $1.7 million of the notes receivable was outstanding. In March 2021, the outstanding balance due, including all accrued interest, was fully repaid by ICL.

During 2020, the Company amended certain Series B warrants held by an entity affiliated with ICL. In December 2020, this entity elected to cashless exercise all of their Series B warrants in return for 51,341 Series B units (see Note 7). This same entity also acquired 59,312 Series D units for $1.0 million in 2019.

Exclusive License, Intellectual Property and Common Unit Purchase Agreement

The Company and ICL entered into an exclusive license and an intellectual property agreement and common unit purchase agreement in 2012. Pursuant to the common unit purchase agreement, the Company issued 46.0 million common units to ICL in return for rights to exclusive commercialization, development, use and sale of certain products and services related to the RaniPill capsule technology. ICL also granted the Company a fully-paid, royalty-free, sublicensable, exclusive license under the intellectual property made by ICL during the course of providing services to the Company related to the RaniPill capsule technology. Such rights were not recorded on the Company's condensed consolidated balance sheet as the transaction was considered a common control transaction.

The Company is obligated to develop and commercialize such products and services and to pay for costs to prosecute and maintain the patents ICL licensed to the Company. The agreement was replaced in June 2021 (see Note 14).

Board Services

During the year ended December 31, 2020, the Company made a $0.2 million payment to a member of the Board of Managers for legacy board services provided to the Company.

Secondary Sales Transactions

In February 2021, our Chief Scientific Officer and member of the Board of Managers and a member of the Board of Managers sold a total of 210,000 common units to a third-party investor at $7.1471 per unit. The Company determined that the sales price was above fair value of such units and as a result recorded equity-based compensation expense of $0.5 million for which $0.2 million was recorded as general and administrative expense and $0.2 million was recorded as research and development expense. The $0.5 million represents the difference between the sales price and fair value of the common units.

7. Warrants

Preferred unit warrants

In May 2013, in conjunction with the Series B convertible preferred unit (the "Series B" or "Series B units") financing, the Company issued warrants to InCube Ventures II, LP ("ICV II"), an entity affiliated with ICL, to purchase 107,357 Series B units. The Series B warrants were exercisable for a period of five years from the grant date at an exercise price of $3.73 per unit. During 2018, the Company amended the terms of the Series B warrants, extending the exercise period for an additional two years. These Series B warrants expired unexercised in May 2020 resulting in a $0.6 million decrease in fair value. In December 2020, the Company amended the terms of these expired Series B warrants, extending the exercise period for an additional two years resulting in a $0.7 million increase in fair value. In December 2020, ICV II elected to cashless exercise all of their Series B warrants and the Company issued 51,341 Series B units. There were no Series B warrants outstanding at December 31, 2020.

In September 2020, in conjunction with a loan and security Agreement (see Note 12), the Company issued warrants to purchase up to 118,929 Series E preferred units. The Series E warrants are exercisable for a period of seven years from the grant date at an exercise price of $7.1471 per unit. At December 31, 2020 and March 31, 2021, all of these Series E warrants were outstanding. In the event of a change of control or IPO, the Series E warrants will automatically be exchanged for the same number of units of the Company's securities for no consideration had the holder of the warrant elected to exercise the warrant immediately prior to a change in control or IPO.

Common unit warrants

In 2017, in conjunction with the Series D convertible preferred unit financing, the Company issued 229,315 common unit warrants with an exercise price of $2.18 per unit and an exercise period of five years. The Company recorded the issuance-date fair value of the common warrants of $0.3 million in equity as the warrant met all criteria for equity classification. In January 2021, 6,000 common unit warrants were exercised at $2.18 per share. At December 31, 2020 and March 31, 2021, 229,315 common unit warrants and 223,315 common unit warrants were outstanding, respectively.

8. Members' deficit

Under the Fourth Amended and Restated Limited Liability Company Agreement (the "Operating Agreement"), the Company is authorized to issue 101,000,000 common units, of which 10,850,000 have been reserved for issuance as Profits Interests and 32,620,000 are reserved for six separate classes, the Series A convertible preferred units (the "Series A units"), the Series B convertible preferred units (the "Series B units"), the Series C convertible preferred units (the "Series C units"), the Series C-1 convertible preferred units (the "Series C-1 units"), the Series D convertible preferred units (the "Series D units"), and the Series E convertible preferred units (the "Series E units"), collectively the "Preferred Units".

The members of the Company who hold these common and Preferred Units are not liable, solely by reason of being a member, for the debts, obligations, or liabilities of the Company whether arising in contract or tort; under a judgment, decree, or order of a court; or otherwise. The members are not obligated to make capital contributions to the Company. The Company will dissolve generally only upon the written consent of a majority of the members.

The Company's Profits Interests may be subject to either a combination of service, market, or performance vesting conditions. Vested Profits Interests are treated as common units for purposes of distributions.

Convertible Preferred Units

In October 2020, the Company entered into a Series E Preferred Unit Purchase Agreement ("Series E Agreement"). Between October 2020 and January 2021, the Company sold a total of units of its Series E units at a purchase price of $7.1471 per unit, for total net proceeds of $74.8 million, net of issuance costs of $0.2 million. The subsequent closings were considered to be mutual options as neither the purchasers nor the Company had a commitment or obligation to purchase or sell additional units. As such, these rights were not accounted for separately. The Series E units were sold at a price lower than the Series C-1 and Series D units resulting in an anti-dilution adjustment to the Series C-1 and Series D conversion prices. The anti-dilution adjustment did not create a contingent beneficial conversion.

The Company's convertible preferred units consisted of the following (in thousands, except unit amounts):

	Units		Carrying Value	Liquidation Preference	Units issuable upon conversion
December 31, 2020	**Authorized**	**Outstanding**			
Series A units	4,000,000	4,000,000	$ 3,974	$ 8,000	4,000,000
Series B units	2,600,000	2,510,246	10,080	19,332	2,510,246
Series C units	5,000,000	4,972,115	32,348	32,488	4,972,115
Series C-1 units	2,520,000	2,504,099	17,607	18,325	2,511,058
Series D units	7,500,000	3,149,577	52,214	53,102	3,380,906
Series E units	11,000,000	9,609,491	68,491	68,680	9,609,491
	32,620,000	**26,745,528**	**$ 184,714**	**$ 199,927**	**26,983,816**

	Units		Carrying Value	Liquidation Preference	Units issuable upon conversion
March 31, 2021	**Authorized**	**Outstanding**			
Series A convertible preferred units	4,000,000	4,000,000	3,974	8,000	4,000,000
Series B convertible preferred units	2,600,000	2,510,246	10,080	19,332	2,510,246
Series C convertible preferred units	5,000,000	4,972,115	32,348	32,488	4,972,115
Series C-1 convertible preferred units	2,520,000	2,504,099	17,607	18,270	2,511,608
Series D convertible preferred units	7,500,000	3,149,577	52,214	49,174	3,400,875
Series E convertible preferred units	11,000,000	10,493,767	74,811	75,000	10,493,767
	32,620,000	**27,629,804**	**$ 191,034**	**$ 202,264**	**27,888,611**

The following provides a summary of the rights of the holders of convertible preferred and common units:

Conversion Rights

The holders of Preferred Units have the right to convert the Preferred Units at any time into common units at an initial conversion ratio of one-to-one, subject to certain adjustments. The Preferred Units will automatically convert into common units at the conversion rate in effect at that time immediately upon the closing of an IPO that results in total proceeds to the Company of at least $100.0 million.

Redemption rights

No Preferred Units or common units are unilaterally redeemable by either the unitholders or the Company; however, the Company's Operating Agreement provides that upon any liquidation event such units shall be entitled to receive the applicable liquidation preference.

Net Income and Loss Allocation

Net income and loss shall be allocated to the Preferred Units in a manner that if the Company were to liquidate completely and in connection with such liquidation (i) sell all of its assets at their carrying values, defined as the fair market value, (ii) settle all of its liabilities to the extent of the available assets of the Company, and (iii) each Preferred Unit holder were to pay to the Company at that time the amount of any obligation then unconditionally due to the Company, then each Preferred Unit holder's capital account balance would correspond as closely as possible to the distributions that would result if the distributions to such Preferred Unit holders were made in accordance with the Operating Agreement.

Distributions

Distributions of the Company's assets to Preferred Unit holders or common unit holders shall be made with the approval of the Board of Managers and with sufficient working capital reserves retained. There shall be no distribution to the Preferred Unit holders until such time as the Company has earned gross revenues of $20.0 million on a cumulative basis (or such other lesser amount as unanimously approved by the board of managers). The Company has not declared any distributions to date.

After the Company earns $20.0 million and prior to $50.0 million in gross revenue on a cumulative basis, distributions are as follows:

- First, to the Preferred Unit holders, on a *pari passu* and pro rata basis, until the cumulative amount of distributions made with respect to each unit equals their aggregate capital contributions; and
- Second, to common unit holders pro rata in proportion to the number of common units held.

After the Company earns $50.0 million and prior to $100.0 million in gross revenue on a cumulative basis, distributions are as follows:

- First, to Preferred and common unit holders, on a *pari passu* basis and pro rata in proportion to the number of units, until the cumulative amount of distributions made with respect to each unit equals their aggregate capital contributions;
- Second, to Preferred Unit holders, on a *pari passu* basis and pro rata in proportion to the number of Preferred Units held, until they have been distributed an additional amount equal to their aggregate capital contributions; and
- Third, 100% to common unit holders, excluding common unit holders who were formerly Preferred Unit holders subject to automatic conversion of their Preferred Units.

After the Company earns $100.0 million in gross revenue on a cumulative basis, distributions are as follows:

- First, to the Preferred Unit holders, on a *pari passu* basis and pro rata in proportion to the number of preferred units, until the cumulative amount of distributions made with respect to each unit equals their original capital contribution, then until the cumulative amount made with respect to each unit equals their aggregate contribution; and
- Second, to Preferred Unit holders and common unit holders pro rata in proportion to the number of common units held assuming full conversion of Preferred Units to common units at the applicable conversion rate.

Liquidating Distributions

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company, including a merger or sale of the Company ("Deemed Liquidation Event"), the amount to be paid for each class of unit is equal to the original price of the issuance, plus any declared but unpaid dividends. At March 31, 2021, the liquidation priority is as follows:

- First 100% to the holders of Series E units until they have been distributed an amount equal to their aggregate capital contributions less any amounts previously distributed to the Preferred Unit holders;
- Second 100% to the holders of Series D units, until they have been distributed an amount equal to their aggregate capital contributions less any amounts previously distributed to the Preferred Unit holders;
- Third 100% to the holders of Series A, B, C, C-1 units pari passu and pro rata in proportion to the number of Preferred Units held by each, until the holders of Series A units and Series B units have been distributed an amount equal to 200% of their aggregate capital contributions less any amounts previously distributed to the Preferred Unit holders and the holders of Series C units and C-1 units have been distributed an amount equal to their aggregate capital contributions less any amounts previously distributed to the Preferred Unit holders; and
- Thereafter, 100% to the holders of Series A, B, and common units pari passu and pro rata in proportion to the number of common units held by each, assuming full conversion of the Preferred Units into common units at the then-applicable conversion rate, as defined in the Operating Agreement.

Tax Distributions

Within ninety days of the end of each fiscal year, the Company will make a distribution to each holder of units out of any available cash of the Company an amount equal to the excess of the sum of:

- the product of any amount of net income and gain taxable at ordinary tax rates allocated with respect to each unit and the maximum marginal rate of federal, state and local income and employment tax applicable to an individual subject to tax with respect to such income or gain, and
- the product of the amount of net income and gain table at long-term capital gains rates allocated with respect to such unit and the maximum marginal rate of federal, state and local income and employment tax applicable to an individual subject to tax with respect to such income or gain, and
- in the event of allocation by the Company of net income or gain taxable at a rate other than the ordinary or long-term capital gains rates contemplated in clauses (i) and (ii) above, the product of the amount of such net income and gain taxable at such other rate allocated with respect to such unit and the maximum marginal rate of federal, state and local income and employment tax applicable to an individual subject to tax with respect to such income or gain, over the cumulative cash distributions previously made with respect to such unit.

No tax distributions were made during any of the periods presented.

Voting Rights

The holders of Preferred Units, on an as converted to common unit basis, and the holders of common units shall vote together and not as separate voting groups on all matters required or permitted to be voted on, consented to, or taken or approved by the unit holders of the Company.

Registration Rights

Under our investors' rights agreement, certain holders of our units have the right to demand that we file a registration statement or request that their units be covered by a registration statement that we are otherwise filing. Holders of the Company's Preferred Units have the right to request the Company to file certain registration statements with the Securities and Exchange Commission for the registration of shares related to the Preferred Units. The obligations of the Company regarding such registration rights include, but are not limited to, commercially reasonable efforts to cause such registration statement to become effective, keep such registration statement effective for up to 120 days, prepare and file amendments and supplements to such registration statement and the prospectus used in connection with such registration statement, and furnish to the selling holders copies of the prospectus and any other documents as they may reasonably request. The terms of the registration rights provide for the payment of certain expenses related to the registration of the shares, including a capped reimbursement of legal fees of a single special counsel for the holders of the shares, but do not impose any obligations for the Company to pay additional consideration to the holders in case a registration statement is subsequently withdrawn at the request of the holders.

Common Units

Holders of the Company's common units have no explicit redemption rights and vote on a one-to-one basis based on the under of common units held. Common units reserved for future issuance, consisted of the following as of:

Class of Units	December 31, 2020	March 31, 2021
Units reserved for conversion of outstanding Series A	4,000,000	4,000,000
Units reserved for conversion of outstanding Series B	2,510,246	2,510,246
Units reserved for conversion of outstanding Series C	4,972,115	4,972,115
Units reserved for conversion of outstanding Series C-1	2,511,058	2,511,608
Units reserved for conversion of outstanding Series D	3,380,906	3,400,875
Units reserved for conversion of outstanding Series E	9,609,491	10,493,767
Units reserved for Profit Interests, issued and outstanding	6,926,358	8,726,483
Units reserved for Profit Interests, authorized for future issuance	3,923,642	2,123,517
	37,833,816	**38,738,611**

9. Equity-Based Compensation

In 2016, the Company adopted the 2016 Equity Incentive Plan (the "Plan") under which the Board of Managers may issue options, Profits Interests, and restricted common units to managers, consultants or other individuals who provide service to the Company. The Board of Managers has the authority to determine to whom Profits Interests will be granted, the number of options granted, and the Profits Interests threshold amount, which is the minimum amount determined by the Board of Managers in its reasonable discretion to be necessary to cause such interests to be treated as Profits Interests ("Threshold Amounts"). In 2020, the Board of Managers approved an additional 2,000,000 common units to be reserved under the Plan for issuance as Profit Interests. At December 31, 2020 and March 31, 2021, a total of 10,850,000 common units are reserved under the Plan.

Immediately upon receipt of a Profits Interests award, the recipient will have no initial capital account balance and the Profits Interests received shall not entitle such recipient to any portion of the capital of the Company at the time of such recipient's admission to the Company as an unitholder member, such that if the Company's assets were sold at fair market value immediately after the grant to such recipient of Profits Interests and the proceeds distributed in complete liquidation of the Company, the Profits Interests received would entitle such recipient to receive no portion of those proceeds. Additionally, the Company shall not make a distribution

with respect to any Profits Interests unless the Company has made aggregate distributions to each interest subject to a lower or no Profits Interests Threshold Amount. The common units underlying each Profits Interests award entitle the holder, upon a sale or other specified capital transaction (as set forth in the Operating Agreement), to participate in a portion of the profits and appreciation in the equity value of the Company arising after the date of grant, as determined in reference to the Profits Interests Threshold Amount set forth in each award agreement.

A summary of Profits Interests activity during the periods indicated is as follows:

	Profits Interests Available for Grant	Number of Profits Interests	Weighted Average Grant Date Fair Value	Profits Interests Threshold
Balance at December 31, 2020	3,923,642	6,926,358	$ 1.63	$ 1.44 - $2.29
Forfeitures	56,875	(56,875)	$ 1.96	$1.44 - $2.29
Grants	(1,857,000)	1,857,000	$ 2.00	$1.99 - $2.13
Balance at March 31, 2021	2,123,517	8,726,483	$ 1.71	$ 1.44 - $2.29

All Profits Interests are subject to a performance-based condition, which is subject to the achievement of certain revenue targets or a liquidation of the Company, and a service condition subject to the holder's continued employment with Rani or ICL. An IPO accelerates the service condition vesting of the Profits Interests. No equity distribution to ICL or equity-based compensation expense to the Company have been recorded since inception, as the Company has concluded that achievement of the performance-based condition is not considered probable.

The fair value of the incentive units underlying the Profits Interests was estimated by taking the aggregate implied equity value of Rani and a hybrid between the probability weighted expected return and option pricing ("OPM") methods, estimating the probability weighted value across multiple scenarios. An OPM was then used to allocate the total equity value of Rani to the different classes of equity according to their rights and preferences. To apply the OPM, volatility was estimated based on the historical volatility of similar public companies' stock price over a preceding period commensurate with the expected term of the Profits Interests awards. The Company estimated the expected term of the Profits Interests awards by considering the timing and probabilities of a liquidity event. The risk-free interest rate for the expected term of the Profits Interests awards was based on the U.S. Treasury yield curve in effect at the time of grant.

The following table summarizes the Company's Profits Interests assumptions that the Company used to determine the grant date fair value of the Profits Interests:

	December 31, 2020	March 31, 2021
Expected term (in years)	1 - 3	2.5
Expected volatility	66%	79%
Risk-free interest rate	0.19%	0.26%

As of March 31, 2021, there was $14.9 million of unrecognized equity-based compensation expense and distribution of equity to ICL associated with the total of all Profits Interests subject to performance conditions.

10. Commitments and Contingencies

Leases

Rani LLC pays for the use of its office, laboratory and manufacturing facilities in San Jose, California as part of the services agreement with ICL (see Note 6) which is accounted for as an operating lease with an implied renewal option into 2025. Rent expense incurred with ICL was $0.2 million and $0.2 million for three months ended March 31, 2020 and 2021, respectively.

Legal Proceedings

In the ordinary course of business, the Company may be subject to legal proceedings, claims and litigation as the Company operates in an industry susceptible to patent legal claims. The Company accounts for estimated losses with respect to legal proceedings and claims when such losses are probable and estimable. Legal costs associated with these matters are expensed when incurred. The Company is currently involved in several opposition proceedings at the European Patent Office, all of which were asserted against us by Novo Nordisk AS. The ultimate outcome of this matter as a loss is not probable nor is there any amount that is reasonably estimable. However, the outcome of the opposition proceedings could impact the Company's ability to commercialize its products in Europe.

Indemnifications

In the ordinary course of business, the Company may provide indemnification of varying scope and terms to vendors, lessors, customers and other parties with respect to certain matters including, but not limited to, losses arising out of breach of such agreements or from intellectual property infringement claims made by third parties. The Company's operating agreement requires that it indemnifies its managers, officers and members against expenses, judgments, fines, settlements and other losses and damages arising out of their services to the Company. The indemnification obligations are more fully described in the Company's operating agreement. Since a maximum obligation is not explicitly stated in the Company's operating agreement and will depend on the facts and circumstances that arise out of any future claims, the overall maximum amount of the obligations cannot be reasonably estimated. The Company has not incurred any material costs as a result of such indemnifications and is not currently aware of any indemnification claims.

11. Income Taxes

The Company is treated as a flow-through entity for federal and state income tax purposes. The income or loss generated by this entity is not taxed at the LLC level. As such, the Company's income tax provision consists solely of the activity of its taxable subsidiary, RMS, which is taxed as a corporation for federal income tax purposes.

The Company's effective income tax rate was (0.12)% and (0.21)% for the three months ended March 31, 2020 and 2021, respectively. The change in the Company's effective income tax rate for the three months ended March 31, 2020 compared to the three months ended March 31, 2021 was primarily driven by the change in net income and the ability to utilize the tax credits available to the Company.

There were no material changes to uncertain tax positions for the three months ended March 31, 2020 and 2021, and the Company does not anticipate material changes within the next 12 months.

12. Long-Term Debt

Convertible Notes

In September 2020, the Company entered into a secured convertible loan agreement (the "Loan and Security Agreement" or the "Loan") with Avenue Venture Opportunity Fund L.P. ("Avenue"), whereby the Company could borrow up to a maximum of $10.0 million, with $3.0 million being immediately available. The remaining $7.0 million available could be borrowed if Avenue received evidence of at least $40.0 million of net cash proceeds from the sale or issuance of securities to existing investors, or upfront payments in connection with strategic partnerships by March 31, 2021. The Company opted not to drawn down this additional amount, and the option has since expired undrawn. Avenue has the right, while the Loan is outstanding, to convert, at any time, an amount up to $3.0 million of the outstanding loan principal into the previous round of preferred units issued by the Company, currently Series E preferred, or the then current series of units subject to the Company's most current round of financing, at a 20%

premium of the latest preferred unit offering price. In exchange for access to this facility, the Company agreed to issue warrants exercisable into the Company's preferred units amounting to $0.9 million; the Company subsequently granted 118,929 Series E warrants with an exercise price of $7.1471 per unit (Note 7).

In the event of a qualified financing, whereby the Company raises capital of at least $75.0 million of total gross proceeds in cash, the Series E warrant will automatically convert into preferred units at a price equal to the issue price per share of the share issued in the qualified financing and on the same terms and conditions of such qualified financing.

The Loan is interest only until September 2021 and bears interest at a variable rate of interest per annum, compounded monthly until its maturity date of September 2023, at which time all outstanding principal and interest will become due and payable in cash if not already converted. The Company's obligations under the Loan are secured by a first priority security interest in substantially all of its assets. The Loan includes customary events of default, including instances of a material adverse change in the Company's operations, which may require prepayment of the outstanding Loan.

At December 31, 2020 and March 31, 2021 the effective interest rate on the Loan was 20.56%.

The Loan contains a contingent interest feature in the event of default that is not clearly and closely related to the underlying note and meets the definition of a derivative. The Company concluded that the fair value of this derivative was insignificant at December 31, 2020 and March 31, 2021.

The Loan and Security Agreement contains negative and affirmative covenants, including covenants that restrict the ability of the Company and its current and future subsidiaries ability to, among other things, incur or prepay existing indebtedness, pay dividends or distributions, dispose of assets, engage in mergers and consolidations, make acquisitions or other investments, and make changes in the nature of the business. The Loan and Security Agreement also contains certain objective events of default, including, without limitation, nonpayment of principal, interest or other obligations, violation of the covenants, insolvency, court ordered judgments, and change in control. The Loan and Security Agreement also requires the Company to provide audited consolidated financial statements to the lenders no later than 120 days after year-end.

The Company was in compliance with all of the debt covenants under the Loan and Security Agreement as of March 31, 2021 and there were no events of default during the three months ended March 31, 2021.

Paycheck Protection Program Loan

In April 2020, the Company received a $1.3 million small business loan under the Paycheck Protection Program ("PPP Loan") as part of the CARES Act. The PPP Loan matures in April 2022, and bears interest at a rate of 1.0% per annum. The PPP Loan is evidenced by a promissory note, which contains customary events of default relating to, among other things, payment defaults and breaches of representations and warranties. The PPP Loan may be prepaid by us at any time prior to maturity with no prepayment penalties.

As the legal form of the PPP Loan is a debt obligation, the Company has accounted for this loan as long-term debt.

The Company has used all proceeds from the PPP Loan to retain employees, maintain payroll and make lease and utility payments. The Company believes it would qualify for forgiveness for all of the loan amount. If the Company completes its IPO, it plans to repay the loan in full with proceeds raised from the IPO. The Company was in compliance with all of the debt covenants under the PPP Loan and there were no events of default as of March 31, 2021.

As of March 31, 2021, future principal payments for the Company's long term debt are as follows (in thousands):

2021 (remaining nine months)	$1,350
2022	1,779
2023	1,125
Total principal payments	4,254
Less: amount representing debt discount	(428)
Add: amount representing interest	12
Present value of remaining debt payments	3,838
Less: current portion	1,946
Total long-term debt, less current portion	$1,892

13. Net Loss Per Unit

The following table sets forth the computation of basic and diluted net loss per unit (in thousands, except for units and per unit data):

	Three Months Ended March 31,	
	2020	2021
Numerator:		
Net loss	$ (5,350)	$ (5,598)
Denominator:		
Weighted average common units outstanding—basic and diluted	46,890,280	46,895,880
Net loss per unit—basic and diluted	$ (0.11)	$ (0.12)

The following table shows the total outstanding securities considered anti-dilutive and therefore excluded from the computation of diluted net loss per unit:

	Three Months Ended March 31,	
	2020	2021
Preferred units	17,084,696	27,888,611
Units reserved for Profits Interests	6,580,957	8,726,483
Common unit warrants	229,315	223,315
Preferred unit warrants	107,357	118,929
Total	24,002,325	36,957,338

The impact of the conversion of the Loan has also been excluded as it would be anti-dilutive.

14. Subsequent events

The Company has evaluated subsequent events through June 22, 2021, the date these condensed consolidated financial statements were available to be issued.

Amended and Restated Exclusive License Agreement between Rani and ICL ("Amended and Restated License Agreement")

In June 2021, the Company and ICL entered into an Amended and Restated Exclusive License Agreement, which replaced the 2012 Exclusive License Agreement as amended in 2013 and terminated the 2012 Intellectual Property Agreement as amended in June 2013. Under the Amended and Restated License Agreement, the Company will have a fully paid, exclusive license under certain scheduled patents related to optional features of the device and certain other scheduled patents to exploit products covered by those patents in the field of oral delivery of sensors, small molecule drugs or biologic drugs including, any peptide, antibody, protein, cell therapy, gene therapy or vaccine. The Company will cover patent-related expenses and, after a certain period the right to acquire four specified U.S. patent families from ICL by making a one-time payment of $250,000 to ICL for each U.S. patent family that the Company desires to acquire, up to $1.0 million in the aggregate. This payment will not become an obligation until the fifth anniversary of the Amended and Restated Exclusive License Agreement. The Amended and Restated Exclusive License Agreement will terminate when there are no remaining valid claims of the patents licensed under the Amended and Restated Exclusive License Agreement. Additionally, the Company may terminate the Amended and Restated Exclusive License Agreement in its entirety or as to any particular licensed patent upon notification to ICL of such intent to terminate.

Non-Exclusive License Agreement between Rani and ICL ("Non-Exclusive License Agreement")

In June 2021, the Company entered into the Non-Exclusive License Agreement with ICL a related party, pursuant to which the Company granted ICL a non-exclusive, fully-paid license under specified patents that were assigned from ICL to the Company. Additionally, the Company agreed not to license these patents to a third party in a specific field outside the field of oral delivery of sensors, small molecule drugs or biologic drugs including, any peptide, antibody, protein, cell therapy, gene therapy or vaccine, if ICL can prove that it or its sublicensee has been in active development of a product covered by such patents in that specific field. ICL may grant sublicenses under this license to third parties only with the Company's prior approval. The Non-Exclusive License Agreement will continue in perpetuity unless earlier terminated.

Intellectual Property Agreement with Mir Imran (the "Mir Agreement")

In June 2021, the Company entered into the Mir Agreement, pursuant to which the Company and Mir Imran agreed that the Company would own all intellectual property conceived (a) using any of the Company's people, equipment, or facilities or (b) that is within the field of oral delivery of sensors, small molecule drugs or biologic drugs including, any peptide, antibody, protein, cell therapy, gene therapy or vaccine. Neither the Company nor Mir Imran may assign the Mir Agreement to any third party without the prior written consent of the other party. The initial term of the Mir Agreement is three years, which can be extended upon mutual consent of the parties. The Mir Agreement may be terminated by either party for any reason within the initial three year term upon providing three months' notice to the other party.

Service Agreement between RMS and ICL (the "RMS-ICL Services Agreement")

In June 2021, RMS entered into the RMS-ICL Service Agreement effective January 1, 2021, pursuant to which ICL, a related party, agreed to rent a specified portion of its facility to RMS. Additionally, RMS and ICL agreed to provide personnel services to the other upon requests based on rates specified in the agreement. The RMS-ICL Service Agreement will have a 12-month term and will automatically renew for successive 12-month periods unless terminated.

Unit Option Grants

In June 2021, the Company granted options to acquire 2.3 million of the Company's common units to certain of its employees, executive officers and managers under the 2016 Equity Incentive Plan, at an exercise price of $4.99 per unit. The options vest over four years subject to individuals continuous service to the Company.

Through and including , 2021 (the 25th day after the date of this prospectus) all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

Shares

Class A common stock

PROSPECTUS

Book-Running Managers

BofA Securities **Stifel** **Cantor** **Canaccord Genuity**

Lead Manager

BTIG

, 2021

PART II

INFORMATION NOT REQUIRED IN THE PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

The following table sets forth the expenses to be incurred in connection with the offering described in this Registration Statement, other than underwriting discounts and commissions, all of which will be paid by us. All amounts are estimates except the Securities and Exchange Commission's registration fee, the Financial Industry Regulatory Authority, Inc.'s, or FINRA, filing fee and the Nasdaq Stock Market, or Nasdaq listing fee.

	Amount Paid or to Be Paid
SEC Registration Fee	$
FINRA filing fee	
Nasdaq listing fee	
Printing and engraving expenses	
Legal fees and expenses	
Accounting fees and expenses	
Transfer agent and registrar fees	
Miscellaneous expenses	
Total	$

Item 14. Indemnification of Directors and Officers

Section 145 of the Delaware General Corporation Law, or DGCL, empowers a corporation to indemnify its directors and officers and to purchase insurance with respect to liability arising out of their capacity or status as directors and officers, provided that the person acted in good faith and in a manner the person reasonably believed to be in our best interests, and, with respect to any criminal action, had no reasonable cause to believe the person's actions were unlawful. The DGCL further provides that the indemnification permitted thereunder shall not be deemed exclusive of any other rights to which the directors and officers may be entitled under the corporation's bylaws, any agreement, a vote of stockholders or otherwise. The certificate of incorporation of the registrant to be in effect immediately prior to the closing of this offering provides for the indemnification of the registrant's directors and officers to the fullest extent permitted under the DGCL. In addition, the amended and restated bylaws of the registrant to be in effect immediately prior to the closing of this offering require the registrant to fully indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding (whether civil, criminal, administrative or investigative) by reason of the fact that such person is or was a director or officer of the registrant, or is or was a director or officer of the registrant serving at the registrant's request as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit, or proceeding, to the fullest extent permitted by applicable law.

Section 102(b)(7) of the DGCL permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except (1) for any breach of the director's duty of loyalty to the corporation or its stockholders, (2) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (3) for payments of unlawful dividends or unlawful stock repurchases or redemptions or (4) for any transaction from which the director derived an improper personal benefit. The registrant's certificate of incorporation to be in effect immediately prior to the closing of this offering provides that the registrant's directors shall not be personally liable to it or its stockholders for monetary damages for

breach of fiduciary duty as a director and that if the DGCL is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of the registrant's directors shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended.

Section 174 of the DGCL provides, among other things, that a director who willfully or negligently approves of an unlawful payment of dividends or an unlawful stock purchase or redemption may be held liable for such actions. A director who was either absent when the unlawful actions were approved, or dissented at the time, may avoid liability by causing his or her dissent to such actions to be entered in the books containing minutes of the meetings of the board of directors at the time such action occurred or immediately after such absent director receives notice of the unlawful acts.

As permitted by the DGCL, the registrant intends to enter into separate indemnification agreements with each of the registrant's directors and certain of the registrant's officers which would require the registrant, among other things, to indemnify them against certain liabilities which may arise by reason of their status as directors, officers, or certain other employees.

The registrant expects to obtain and maintain insurance policies under which its directors and officers are insured, within the limits and subject to the limitations of those policies, against certain expenses in connection with the defense of, and certain liabilities which might be imposed as a result of, actions, suits, or proceedings to which they are parties by reason of being or having been directors or officers. The coverage provided by these policies may apply whether or not the registrant would have the power to indemnify such person against such liability under the provisions of the DGCL.

These indemnification provisions and the indemnification agreements intended to be entered into between the registrant and the registrant's officers and directors may be sufficiently broad to permit indemnification of the registrant's officers and directors for liabilities (including reimbursement of expenses incurred) arising under the Securities Act.

The underwriting agreement between the registrant and the underwriters to be filed as Exhibit 1.1 to this registration statement provides for the indemnification by the underwriters of the registrant's directors and officers and certain controlling persons against specified liabilities, including liabilities under the Securities Act with respect to information provided by the underwriters specifically for inclusion in the registration statement.

Item 15. Recent Sales of Unregistered Securities

The following list sets forth information regarding all unregistered securities sold by us since January 1, 2018. No underwriters were involved in the sales and the certificates representing the securities sold and issued contain legends restricting transfer of the securities without registration under the Securities Act or an applicable exemption from registration.

(1) Between October 2020 and January 2021, we issued to accredited investors an aggregate of 10,493,767 units of our Series E convertible preferred units at $7.1471 per share, for aggregate gross proceeds of $75.0 million.

(2) Between January 2018 and March 2021, we have granted certain of our employees, directors and executive officers Profits Interests covering an aggregate of 3,470,617 common units with participation thresholds ranging from $1.87 to $2.29 under our 2016 Equity Incentive Plan, or the 2016 Plan.

(3) On April 19, 2021, we issued 1,000 shares of common stock at a purchase price of $0.01 per share for aggregate gross proceeds of $10.00 to Rani LLC.

(4) On June 17, 2021, Rani LLC granted certain of its employees, consultants, directors and executive officers options to purchase 2,292,309 common units with a per unit exercise price of $4.99 per unit under the 2016 Plan.

None of the foregoing transactions involved any underwriters, underwriting discounts or commissions, or any public offering. Unless otherwise specified above, we believe these transactions were exempt from registration under the Securities Act in reliance on Section 4(a)(2) of the Securities Act (and Regulation D promulgated thereunder), or Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or under benefit plans and contracts relating to compensation as provided under Rule 701. The recipients of the securities in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed on the share certificates issued in these transactions. All recipients had adequate access, through their relationships with us, to information about us. The sales of these securities were made without any general solicitation or advertising.

Item 16. Exhibit and Financial Statement Schedules

(a) Exhibits.

See the Exhibit Index immediately preceding the signature page hereto for a list of exhibits filed as part of this registration statement on Form S-1, which Exhibit Index is incorporated herein by reference.

(b) Financial Statement Schedules.

Schedules have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes thereto.

Item 17. Undertakings

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the underwriting agreements, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers, and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer, or controlling person of the registrant in the successful defense of any action, suit, or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act of 1933 shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

EXHIBIT INDEX

Exhibit Number	Description
1.1*	Form of Underwriting Agreement.
3.1	Certificate of Incorporation of Rani Therapeutics Holdings, Inc., as currently in effect.
3.2	Form of Amended and Restated Certificate of Incorporation of Rani Therapeutics Holdings, Inc., to be in effect immediately prior to the closing of this offering.
3.3	Bylaws of Rani Therapeutics Holdings, Inc., as currently in effect.
3.4	Form of Amended and Restated Bylaws of Rani Therapeutics Holdings, Inc., to be in effect immediately prior to the closing of this offering.
4.1*	Specimen Class A common stock certificate of Rani Therapeutics Holdings, Inc.
5.1*	Opinion of Cooley LLP.
10.1*	Form of Tax Receivable Agreement, to be effective upon the closing of this offering.
10.2*	Form of Registration Rights Agreement, to be effective upon the closing of this offering.
10.3*	Form of Fifth Amended and Restated Limited Liability Company Agreement of Rani Therapeutics, LLC, to be effective upon the effectiveness of this offering.
10.4+	Form of Indemnification Agreement between Rani Therapeutics Holdings, Inc. and each of its directors and executive officers.
10.5+	Rani Therapeutics, LLC 2016 Equity Incentive Plan and forms of agreement thereunder.
10.6+	Rani Therapeutics Holdings, Inc. 2021 Equity Incentive Plan and forms of agreement thereunder.
10.7+	Rani Therapeutics Holdings, Inc. 2021 Employee Stock Purchase Plan.
10.8+	Rani Therapeutics Holdings, Inc. Severance and Change in Control Plan.
10.9+	Form of Participation Agreement under the Rani Therapeutics Holdings, Inc. Severance and Change in Control Plan.
10.10	Exclusive License Agreement, by and between Rani Therapeutics, LLC and InCube Labs, LLC, dated June 14, 2012.
10.11	Intellectual Property Agreement, by and between Rani Therapeutics, LLC and InCube Labs, LLC, dated June 14, 2012.
10.12	Acknowledgement and Amendment, by and between Rani Therapeutics, LLC and InCube Labs, LLC, dated June 13, 2013.
10.13	Service Agreement, by and between Rani Therapeutics, LLC and InCube Labs, LLC, dated January 1, 2019.
10.14	Amendment No. 1 to Service Agreement, by and between Rani Therapeutics, LLC and InCube Labs, LLC, dated January 1, 2020.
10.15	Service Agreement, by and between Rani Therapeutics, LLC and InCube Labs, LLC, dated January 1, 2021.
10.16	Service Agreement, by and between Rani Management Services, Inc. and InCube Labs, LLC, dated January 1, 2021.
10.17	Amended and Restated Exclusive License Agreement, by and between Rani Therapeutics, LLC and InCube Labs, LLC, dated June 22, 2021.

Exhibit Number	Description
10.18	Non-Exclusive License Agreement, by and between Rani Therapeutics, LLC and InCube Labs, LLC, dated June 22, 2021.
10.19	Intellectual Property Agreement, by and between Rani Therapeutics, LLC and Mir A. Imran, dated June 22, 2021.
10.20	Loan and Security Agreement, by and between Rani Therapeutics, LLC and Avenue Venture Opportunities Fund, L.P., dated September 15, 2020.
10.21	Promissory Note, by and between Rani Therapeutics, LLC and Avenue Venture Opportunities Fund, L.P., dated September 15, 2020.
10.22	Supplement to the Loan and Security Agreement, by and between Rani Therapeutics, LLC and Avenue Venture Opportunities Fund, L.P., dated September 15, 2020.
10.23+	Amended and Restated Employment Agreement, dated June 17, 2021, by and between Rani Management Services, Inc. and Talat Imran.
10.24+	Amended and Restated Employment Agreement, dated June 17, 2021, by and between Rani Management Services, Inc. and Mir Hashim.
10.25+	Amended and Restated Employment Agreement, dated June 17, 2021, by and between Rani Management Services, Inc. and Svai Sanford.
21.1	Subsidiaries of Rani Therapeutics Holdings, Inc.
23.1	Consent of Independent Registered Public Accounting Firm, as to Rani Therapeutics Holdings, Inc.
23.2	Consent of Independent Registered Public Accounting Firm, as to Rani Therapeutic, LLC.
23.3*	Consent of Cooley LLP (included in Exhibit 5.1).
24.1	Power of Attorney (reference is made to the signature page thereto).

* To be filed by amendment.
‡ Previously filed.
\+ Indicated management contract or compensatory plan.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of San Jose, State of California, on July 9, 2021.

RANI THERAPEUTICS HOLDINGS, INC.

By: /s/ Talat Imran
Talat Imran
Chief Executive Officer and Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Talat Imran and Svai Sanford as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him or her and in his or her name, place, and stead, in any and all capacities (including his or her capacity as a director and/or officer of Rani Therapeutics Holdings, Inc.) to sign any or all amendments (including post-effective amendments) to this registration statement and any and all additional registration statements pursuant to Rule 462(b) of the Securities Act of 1933, as amended, and to file the same, with all exhibits thereto, and all other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as they, he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agents or any of them, or their, his, or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Talat Imran Talat Imran	Chief Executive Officer and Director *(Principal Executive Officer)*	July 9, 2021
/s/ Svai Sanford Svai Sanford	Chief Financial Officer *(Principal Financial and Accounting Officer)*	July 9, 2021
/s/ Mir Imran Mir Imran	Executive Chairman	July 9, 2021
/s/ Dennis Ausiello Dennis Ausiello	Director	July 9, 2021
/s/ Jean-Luc Butel Jean-Luc Butel	Director	July 9, 2021
/s/ Laureen DeBuono Laureen DeBuono	Director	July 9, 2021
/s/ Andrew Farquharson Andrew Farquharson	Director	July 9, 2021
/s/ Maulik Nanavaty Maulik Nanavaty	Director	July 9, 2021

CERTIFICATE OF INCORPORATION

OF

RANI THERAPEUTICS HOLDINGS, INC.

The undersigned, a natural person (the "***Sole Incorporator***"), for the purpose of organizing a corporation to conduct the business and promote the purposes hereinafter stated, under the provisions and subject to the requirements of the laws of the State of Delaware hereby certifies that:

I.

The name of this corporation is Rani Therapeutics Holdings, Inc.

II.

The registered office of the corporation in the State of Delaware is 1209 Orange Street – Corporation Trust Center, City of Wilmington, County of New Castle, 19801 and the name of the registered agent of the corporation in the State of Delaware at such address is The Corporation Trust Company.

III.

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the Delaware General Corporation Law.

IV.

This corporation is authorized to issue only one class of stock, to be designated Common Stock. The total number of shares of Common Stock presently authorized is 1,000, each having a par value of $0.0001.

V.

A. Management by Board of Directors. The management of the business and the conduct of the affairs of the corporation will be vested in its Board of Directors. The number of directors which will constitute the whole Board of Directors will be fixed by the Board of Directors in the manner provided in the Bylaws. Unless and except to the extent that the bylaws of the corporation so require the election of directors of the corporation need not be by written ballot.

B. No Cumulative Voting. No person entitled to vote at an election for directors may cumulate votes to which such person is entitled unless required by applicable law at the time of such election. During such time or times that applicable law requires cumulative voting, every stockholder entitled to vote at an election for directors may cumulate such stockholder's votes and give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which such stockholder's shares are otherwise entitled, or distribute the stockholder's votes on the same principle among as many candidates as such stockholder desires. No stockholder, however, will be entitled to so cumulate such stockholder's votes unless (1) the names of such candidate or candidates have been placed in nomination prior to the voting and (2) the stockholder has given notice at the meeting,

prior to the voting, of such stockholder's intention to cumulate such stockholder's votes. If any stockholder has given proper notice to cumulate votes, all stockholders may cumulate their votes for any candidates who have been properly placed in nomination. Under cumulative voting, the candidates receiving the highest number of votes, up to the number of directors to be elected, are elected.

C. Removal. Subject to any limitations imposed by applicable law, the Board of Directors or any director may be removed from office at any time, with or without cause, by the affirmative vote of the holders of a majority of the voting power of all then-outstanding shares of capital stock of the corporation entitled to vote generally at an election of directors.

D. Empowerment Regarding Bylaws. The Board of Directors is expressly empowered to adopt, amend or repeal the Bylaws of the corporation. The stockholders will also have power to adopt, amend or repeal the Bylaws of the corporation; provided, however, that, in addition to any vote of the holders of any class or series of stock of the corporation required by law or by this Certificate of Incorporation, such action by stockholders will require the affirmative vote of the holders of at least a majority of the voting power of all of the then-outstanding shares of the capital stock of the corporation entitled to vote generally in the election of directors, voting together as a single class.

VI.

A. Liability of Directors Limited. The liability of the directors for monetary damages for breach of fiduciary duty as a director is eliminated to the fullest extent under applicable law.

B. Indemnification Authorized. To the fullest extent permitted by applicable law, the corporation is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the corporation (and any other persons to which applicable law permits the corporation to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise in excess of the indemnification and advancement otherwise permitted by such applicable law. If applicable law is amended after approval by the stockholders of this Article VI to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director to the corporation will be eliminated or limited to the fullest extent permitted by applicable law as so amended.

C. Limitation on Repeal of Article VI. Any repeal or modification of this Article VI is only prospective and does not affect the rights or protections or increase the liability of any officer or director under this Article VI in effect at the time of the alleged occurrence of any act or omission to act giving rise to liability or indemnification.

VII.

The corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon the stockholders herein are granted subject to this reservation.

VIII.

The name and the mailing address of the Sole Incorporator is:

Svai Sanford
2051 Ringwood Ave
San Jose, California 95131

IX.

Unless the corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware will be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the corporation, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the corporation to the corporation or the corporation's stockholders, (iii) any action asserting a claim against the corporation, its directors, officers or employees arising pursuant to any provision of the Delaware General Corporation Law or the corporation's certificate of incorporation or bylaws or (iv) any action asserting a claim against the corporation, its directors, officers or employees governed by the internal affairs doctrine or otherwise related to the Company's internal affairs, except for, as to each of (i) through (iv) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction. If any provision or provisions of this Article IX is held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article IX (including, without limitation, each portion of any sentence of this Article IX containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances will not in any way be affected or impaired thereby.

[Remainder of this page intentionally left blank]

This Certificate has been subscribed as of April 6, 2021 by the undersigned who affirms that the statements made herein are true and correct.

/s/ Svai Sanford

Svai Sanford
Sole Incorporator

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF RANI THERAPEUTICS HOLDINGS, INC.

Rani Therapeutics Holdings, Inc., a Delaware corporation, hereby certifies that:

ONE: The name of this corporation is Rani Therapeutics Holdings, Inc. This corporation filed its original Certificate of Incorporation with the Secretary of State of the State of Delaware on April 6, 2021.

TWO: The Certificate of Incorporation of this corporation is hereby amended and restated to read as follows:

ARTICLE I

NAME

The name of this corporation is Rani Therapeutics Holdings, Inc. (the "**Company**").

ARTICLE II

REGISTERED AGENT

The address of the registered office of the Company in the State of Delaware is 1209 Orange Street – Corporation Trust Center, City of Wilmington, County of New Castle, Delaware 19801, and the name of the registered agent of the Company in the State of Delaware at such address is The Corporation Trust Company.

ARTICLE III

PURPOSE

The nature of the business or purpose of the Company is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law (the "**DGCL**").

ARTICLE IV

AUTHORIZED STOCK

1. The Company is authorized to issue two classes of stock to be designated, respectively, "**Common Stock**" and "**Preferred Stock**." The total number of shares of capital stock which the Company is authorized to issue is [●] shares. The total number of shares of Common Stock which the Company is authorized to issue is [●] shares, [●] shares of which shall be Class A Common Stock (the "**Class A Common Stock**"), [●] shares of which shall be Class B Common Stock (the "**Class B Common Stock**") and [●] shares of which shall be Class C Common Stock (the "**Class C Common Stock**" and, together with the Class A Common Stock and the Class B Common Stock, the "**Common Stock**"), and [●] shares of Preferred Stock (the "**Preferred Stock**"). The Preferred Stock shall have a par value of $0.0001 per share and the Common Stock shall have a par value of $0.0001 per share.

2. The Preferred Stock may be issued from time to time in one or more series, subject to Section 2.3 of Article V, and the Board of Directors of the Company (the "**Board**") is hereby expressly authorized to provide for the issue of all or any of the shares of the Preferred Stock in one or more series, and to fix the number of shares and to determine or alter for each such series, such voting powers, full or limited, or no voting powers, and such designation, preferences, and relative, participating, optional, or other rights and such qualifications, limitations, or restrictions thereof, as shall be stated and expressed in the resolution or resolutions adopted by the Board providing for the issuance of such shares and set forth in a certificate of designations filed with the Secretary of State of the State of Delaware (a "**Certificate of Designation**"). Except as otherwise provided in a Certificate of Designation, the Board is also expressly authorized to increase or decrease the number of shares of any series subsequent to the issuance of shares of that series, but not below the number of shares of such series then outstanding. In case the number of shares of any series shall be decreased in accordance with the foregoing sentence, the shares constituting such decrease shall resume the status that they had prior to the adoption of the resolution originally fixing the number of shares of such series.

3. The number of authorized shares of Common Stock or any series thereof (and, for the avoidance of doubt, the number of authorized shares of each of the Class A Common Stock, Class B Common Stock and Class C Common Stock) or Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of the Class A Common Stock and Class B Common Stock, voting together as a single class, without a separate vote of the holders of the Common Stock, or any series thereof, or Preferred Stock, or of any series thereof unless a vote of any such holders is required pursuant to the terms of any Certificate of Designation filed with respect to any series of Preferred Stock, irrespective of the provisions of Section 242(b)(2) of the DGCL.

ARTICLE V

TERMS OF CLASSES AND SERIES

The powers, preferences and rights, and the qualifications, restrictions and limitations thereof, relating to the Common Stock are as follows:

1. Definitions. For purposes of this Amended and Restated Certificate of Incorporation, the following definitions apply:

1.1 "**Acquisition**" shall mean (A) any consolidation or merger of the Company with or into any other corporation or other entity or person, or any other corporate reorganization, other than any such consolidation, merger or reorganization in which the shares of capital stock of the Company immediately prior to such consolidation, merger or reorganization, continue to represent a majority of the voting power of the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent) immediately after such consolidation, merger or reorganization (*provided* that, for the purpose of this Section 1.1 of Article V, all stock, options, warrants, purchase rights or other securities exercisable for or convertible into Common Stock outstanding immediately prior to such merger or consolidation shall be deemed to be outstanding immediately prior to such merger or consolidation and, if applicable, shall be deemed to be converted or exchanged in such merger or consolidation on the same terms as the actual outstanding shares of capital stock are converted or exchanged); or (B) any transaction or series of related transactions to which the Company is a party in which shares of the Company are transferred or issued such that in excess of 50% of the Company's voting power is transferred; *provided* that an Acquisition shall not include any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Company or any successor or indebtedness of the Company is cancelled or converted or a combination thereof.

1.2 "**Amended and Restated Certificate of Incorporation**" shall mean this Amended and Restated Certificate of Incorporation of the Company, as may be amended and/or restated from time to time.

1.3 "**Asset Transfer**" shall mean a sale, lease, exclusive license or other disposition of all or substantially all of the assets of the Company.

1.4 "**Board**" shall mean the Board of Directors of the Company.

1.5 "**Disability**" means an event that results in a person's inability to perform the material duties of his or her employment by reason of any medically determinable physical or mental impairment that can be expected to result in death within 12 months or can be expected to last for a continuous period of not less than 12 months, as determined by a licensed physician jointly selected by a majority of the Independent Directors and the person. If the person is incapable of selecting a licensed physician, then the person's spouse shall make the selection on behalf of the person, or in the absence or incapacity of the person's spouse, the person's parents shall make the selection on behalf of the person, or in the absence of parents of the person, a natural person then acting as the successor trustee of a revocable living trust which was created by the person and which holds more shares of all classes of capital stock of the Company than any other revocable living trust created by the person shall make the selection on behalf of the person, or in absence of any such successor trustee, the legal guardian or conservator of the estate of the person shall make the selection on behalf of the person.

1.6 "**Family Member**" shall mean with respect to any Qualified Stockholder who is a natural person, the spouse, parents, grandparents, lineal descendants, siblings and lineal descendants of siblings (in each case whether by blood relation or adoption) of such Qualified Stockholder.

1.7 "**Final Conversion Date**" means the earlier to occur of the following: (i) 5:00 p.m. in New York City, New York on the date that is ten (10) years following the closing of the IPO, (ii) 5:00 p.m. in New York City, New York on a date fixed by the Board that is not less than sixty (60) days nor more than one hundred eighty (180) days after the death or Disability of the last to die or be the subject of a Disability of Mir Imran, Talat Imran and Sanah Imran and (iii) the occurrence of the time or event specified by the holders of at least two-thirds (2/3) of the voting power of the Class B Common Stock, voting as a single class, for the retirement of all outstanding shares of Class B Common Stock.

1.8 "**Founder**" means the following individuals: Mir Imran, Talat Imran, Sanah Imran and any Permitted Transferee of such Founder.

1.9 "**Independent Directors**" mean the members of the Board designated as independent directors in accordance with the Listing Standards.

1.10 "**IPO**" means the Company's first firmly underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, covering the offer and sale of Class A Common Stock where the Class A Common Stock is a "covered security" as described in Section 18(b) of the Securities Act of 1933, as amended.

1.11 "**Liquidation Event**" means any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, or any Acquisition or Asset Transfer.

1.12 "**Listing Standards**" means the requirements of any national stock exchange under which the Company's equity securities are listed for trading that are generally applicable to companies with common equity securities listed thereon.

1.13 "**Permitted Entity**" shall mean, with respect to a Qualified Stockholder, any corporation, partnership or limited liability company in which such Qualified Stockholder directly, or indirectly through one or more Permitted Transferees, owns shares, partnership interests or membership interests, as applicable, with sufficient Voting Control in the corporation, partnership or limited liability company, as the case may be, or otherwise has legally enforceable rights, such that the Qualified Stockholder retains sole dispositive power and exclusive Voting Control with respect to all shares of Class B Common Stock held of record by such corporation, partnership or limited liability company, as the case may be.

1.14 "**Permitted Transfer**" shall mean, and be restricted to, any Transfer of a share of Class B Common Stock:

(i) by a Qualified Stockholder that is a natural person, to the trustee of a Permitted Trust of such Qualified Stockholder;

(ii) by a Qualified Stockholder in which a Founder has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such Qualified Stockholder to the trustee of a Permitted Trust of such Founder;

(iii) by a Permitted Trust of a Qualified Stockholder, to the Qualified Stockholder or the trustee of any other Permitted Trust of such Qualified Stockholder;

(iv) by a Qualified Stockholder to any Permitted Entity of such Qualified Stockholder;

(v) by a Qualified Stockholder in which a Founder has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such Qualified Stockholder to a Permitted Entity of such Founder;

(vi) by a Qualified Stockholder to a Founder;

(vii) by a Permitted Entity of a Qualified Stockholder to the Qualified Stockholder or any other Permitted Entity of such Qualified Stockholder; or

(viii) by a Permitted Entity of a Founder to such Founder or any other Permitted Entity of such Founder or to another Founder or Permitted Entity of such Founder in which such Founder has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock.

1.15 "**Permitted Transferee**" means a transferee of shares of Class B Common Stock received in a Transfer that constitutes a Permitted Transfer.

1.16 "**Permitted Trust**" shall mean (i) a bona fide trust for the benefit of a Qualified Stockholder or Family Members of the Qualified Stockholder, if such Transfer does not involve any payment of cash, securities, property or other consideration (other than an interest in such trust) to the Qualified Stockholder, or (ii) a trust under the terms of which such Qualified Stockholder has retained a "qualified interest" within the meaning of §2702(b)(1) of the Internal Revenue Code and/or a reversionary interest, in each case so long as the Qualified Stockholder has sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such trust.

1.17 "**Qualified Stockholder**" shall mean (i) the registered holder of a share of Class B Common Stock immediately prior to the IPO; (ii) the initial registered holder of any shares of Class B Common Stock that are originally issued by the Company after the IPO (including, without limitation, upon conversion of the Preferred Stock or upon exercise of options or warrants) (collectively, "**Pre-IPO Outstanding Rights**"); (iii) a Permitted Transferee and (iv) any Founder.

1.18 "**Transfer**" of a share of Class B Common Stock shall mean any sale, assignment, transfer, conveyance, hypothecation or other transfer or disposition of such share or any legal or beneficial interest in such share, whether or not for value and whether voluntary or involuntary or by operation of law, including, without limitation, a transfer of a share of Class B Common Stock to a broker or other nominee (regardless of whether there is a corresponding change in beneficial ownership), or the transfer of, or entering into a binding agreement with respect to, Voting Control (as defined below) over such share by proxy or otherwise, such that the previous holders of such voting power no longer retain sole dispositive power and exclusive Voting Control with respect to the shares of Class B Common Stock held by such holder; *provided*, *however*, that the following shall not be considered a "Transfer" within the meaning of this Article V:

(i) the granting of a revocable proxy to (y) officers or directors of the Company at the request of the Board or (z) a representative of such stockholder, in connection with actions to be taken at an annual or special meeting of stockholders or in connection with any action by written consent of the stockholders;

(ii) entering into a voting trust, agreement or arrangement (with or without granting a proxy) solely with stockholders who are holders of Class B Common Stock that (A) is disclosed either in a Schedule 13D filed with the Securities and Exchange Commission or in writing to the Secretary of the Company, (B) either has a term not exceeding one (1) year or is terminable by the holder of the shares subject thereto at any time and (C) does not involve any payment of cash, securities, property or other consideration to the holder of the shares subject thereto other than the mutual promise to vote shares in a designated manner;

(iii) the pledge of shares of Class B Common Stock by a stockholder that creates a mere security interest in such shares pursuant to a bona fide loan or indebtedness transaction for so long as such stockholder continues to exercise Voting Control over such pledged shares; *provided*, *however*, that a foreclosure on such shares or other similar action by the pledgee shall constitute a "Transfer" unless such foreclosure or similar action qualifies as a "Permitted Transfer";

(iv) entering into a support or similar voting agreement (with or without granting a proxy) in connection with a Liquidation Event or

(v) in connection with a merger or consolidation of the Company with or into any other entity, or in the case of any other transaction having an effect on stockholders substantially similar to that resulting from a merger or consolidation, such as the sale, lease, exchange, or other disposition (other than liens and encumbrances created in the ordinary course of business, including liens or encumbrances to secure indebtedness for borrowed money that are approved by the Board of Directors, so long as no foreclosure occurs in respect of any such lien or encumbrance) of all or substantially all of the Company's property and assets, or any other proposal, in each case that has been approved by the Board of Directors, the entering into a support, voting, tender or similar agreement or arrangement (in each case, with or without the grant of a proxy) that has also been approved by the Board of Directors or the consummation of the actions or transactions contemplated therein (including, without limitation, voting, tendering, selling, exchanging, or otherwise transferring or disposing of shares of Class B Common Stock or any legal or beneficial interest therein).

1.19 "**Voting Control**" means, with respect to a security, the power (whether exclusive or shared) to vote or direct the voting of such security by proxy, voting agreement or otherwise.

2. Voting Rights.

2.1 Common Stock.

(a) ***Class A Common Stock***. Each holder of shares of Class A Common Stock will be entitled to one vote for each share thereof held at the applicable record date.

(b) ***Class B Common Stock***. Each holder of shares of Class B Common Stock will be entitled to ten votes for each share thereof held at the applicable record date.

(c) ***Class C Common Stock***. Except as required by law and the provisions of this Amended and Restated Certificate of Incorporation, the Class C Common Stock will have no voting rights or voting power and no holder thereof shall be entitled to vote such shares on any matter. On any matter on which a holder of Class C Common Stock is entitled to vote by law or the provisions of this Amended and Restated Certificate of Incorporation, each holder of shares of Class C Common Stock will be entitled to one vote for each share thereof held at the applicable record date.

2.2 General. Except as otherwise expressly provided in this Amended and Restated Certificate of Incorporation (including any Certificate of Designation) or as required by law, the holders of Class A Common Stock and Class B Common Stock (and, on any matter on which the Class C Common Stock or the holders of Preferred Stock are entitled to vote with the Class A Common Stock and the Class B Common Stock, the Class C Common Stock and the Preferred Stock) will vote together as a single class and not as separate series or classes.

2.3 Class B Common Stock Protective Provisions. So long as any shares of Class B Common Stock remain outstanding, the Company shall not, without the affirmative approval by vote or written consent of the holders of a majority of the voting power of the Class B Common Stock then outstanding, voting together as a single class, directly or indirectly, or whether by amendment, or through merger, recapitalization, reclassification, consolidation or otherwise:

(a) amend, alter, or repeal any provision of this Amended and Restated Certificate of Incorporation or the bylaws of the Company in a manner that modifies the voting, conversion or other powers, preferences, or other special rights or privileges, or restrictions of, or increase or decrease the number of authorized shares of, the Class B Common Stock;

(b) reclassify any outstanding shares of capital stock of the Company into shares having, or authorize additional securities, including Preferred Stock, having rights as to dividends or liquidation that are senior to the Class A Common Stock or Class B Common Stock or the right to more than one vote for each share thereof and, in the case of Class C Common Stock, the right to have any vote for any share thereof, except as required by law; or

(c) create, or authorize the creation of, any class of preferred stock, unless the same ranks junior to the Class B Common Stock with respect to or the right to the payment of dividends, redemption rights and the distribution of assets on the liquidation, dissolution or winding up of the Company and has the right to no more than one vote for each share thereof or one vote for each share of Common Stock into which such share of preferred stock is convertible.

2.4 Action by Consent. Until the Final Conversion Date, any action required or permitted to be taken at a meeting of stockholders of the Company may be taken without a meeting, without prior notice and without a vote, if a consent or consents, setting forth the action so taken, shall be signed by the holders of outstanding stock of the Company having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted and shall be delivered to the Company in accordance with applicable law. Following the Final Conversion Date, any action required or permitted to be taken at a meeting of stockholders of the Company shall only be taken at a meeting and may not be taken by consent.

3. Stock Splits or Combinations.

In no event shall any stock split, subdivision, combination, reclassification or recapitalization be effected or any dividend be declared with respect to any outstanding shares of Common Stock unless contemporaneously therewith all outstanding shares of Common Stock and the Class A Common Units (the "**LLC Interests**") of Rani Therapeutics, LLC that are issued under the Amended and Restated Limited Liability Company Agreement of Rani Therapeutics, LLC dated on or about the date of the IPO (as the same may be amended, amended and restated and otherwise modified from time to time, the "**LLC Agreement**") to be entered into in connection with the IPO at the time outstanding and the shares of Class B Common Stock necessary to maintain at all times a one-to-one ratio between the number of outstanding LLC Interests (other than LLC Interests held by the Company or any subsidiary of the Company that is a holder of LLC Interests) and the number of outstanding shares of Class B Common Stock are treated in the same proportion and the same manner.

4. Liquidation Rights.

In the event of a Liquidation Event, upon the completion of the distributions required with respect to each series of Preferred Stock that may then be outstanding, the assets of the Company legally available for distribution to stockholders shall be distributed on an equal priority, pro rata basis to the holders of Class A Common Stock and Class C Common Stock, unless different treatment is approved by the affirmative vote of the holders of a majority of the voting power of the outstanding shares of Class A Common Stock and Class B Common Stock; *provided*, *however*, that for the avoidance of doubt, consideration to be paid or received by a holder of Class A Common Stock and Class C Common Stock in connection with any Liquidation Event pursuant to any employment, consulting, severance or similar services arrangement shall not be deemed to be "distribution to stockholders" for the purpose of this Section 4 of Article V. The holders of shares of Class B Common Stock, as such, shall be entitled to receive $0.0001 per share upon completion of the distributions required with respect to each series of Preferred Stock that may be outstanding and prior to any distributions to holders of Class A Common Stock or Class C Common Stock pursuant to the first sentence of this section, and shall not be entitled to receive any other assets of the Company in the event of any Liquidation Event. The Company shall authorize the shares of Class B Common Stock necessary to maintain at all times a one-to-one ratio between the number of outstanding LLC Interests (other than LLC Interests held by the Company or any subsidiary of the Company that is a holder of LLC Interests) and the number of outstanding shares of Class B Common Stock.

5. Transfer Restriction; Cancellation of Class B Common Stock.

5.1 No shares of Class B Common Stock may be issued by the Company except to a holder of LLC Interests in Rani Therapeutics, LLC (other than the Company, Rani Therapeutics, LLC or any other subsidiary of the Company that is a holder of LLC Interests), such that after such issuance of Class B Common Stock such holder of LLC Interests holds an identical number of LLC Interests and shares of Class B Common Stock. No shares of Class B Common Stock may be transferred of record by the holder thereof except (i) for no consideration to the Company upon which transfer such shares shall automatically be cancelled pursuant to Section 5.2 of this Article V, or (ii) together with the transfer of an identical number of LLC Interests made to the transferee of such LLC Interests made in compliance with the LLC Agreement and the provisions set forth herein.

5.2 Immediately upon the effective time of an exchange of an LLC Interest (together with a share of Class B Common Stock) for Class A Common Stock pursuant to the terms of the LLC Agreement, such share of Class B Common Stock held by such exchanging holder of LLC Interests shall automatically, without further action by the Company or the holder thereof, be canceled with no consideration being paid or issued with respect thereto. Any such canceled shares of Class B Common Stock shall be automatically retired and all rights with respect to such shares shall automatically cease and terminate.

6. Automatic Retirement of the Class B Common Stock.

Each share of Class B Common Stock shall automatically, without further action by the holders thereof, be retired and all rights with respect to such share shall automatically cease and terminate upon the earlier to occur of the following: (i) on the occurrence of a Transfer, other than a Permitted Transfer, of such share of Class B Common Stock, (ii) on the Final Conversion Date and (iii) upon the election of the holder of such share.

7. Conversion of the Class C Common Stock.

The Company may, from time to time, establish such policies and procedures, not in violation of applicable law or the other provisions of this Amended and Restated Certificate of Incorporation, relating to the conversion of the Class C Common Stock into Class A Common Stock, as it may deem necessary or advisable in connection therewith.

8. Reservation of Stock Issuable Upon Conversion.

8.1 The Company will at all times reserve and keep available out of its authorized but unissued shares of Class A Common Stock, such number of shares of Class A Common Stock that shall from time to time be sufficient to effect (i) the exchange of all outstanding LLC Interests (along with Class B Common Stock and excluding those LLC Interests held by Rani Therapeutics, LLC) into shares of Class A Common Stock and (ii) the conversion of all outstanding shares of Class C Common Stock into shares of Class A Common Stock.

9. Miscellaneous.

9.1 No Reissuance of Class B Common Stock. No share or shares of Class B Common Stock acquired by the Company by reason of redemption, purchase, conversion, retirement or otherwise shall be reissued, and all such shares shall be cancelled, retired and eliminated from the shares that the Company shall be authorized to issue.

9.2 Additional Issuances of Class B Common Stock. The Company shall not at any time after the effectiveness of this Amended and Restated Certificate of Incorporation under the DGCL issue any additional shares of Class B Common Stock, unless such issuance is approved by the affirmative vote of the holders of a majority of the outstanding shares of Class B Common Stock.

9.3 Preemptive Rights. No stockholder of the Company shall have a right to purchase shares of capital stock of the Company sold or issued by the Company except to the extent that such a right may from time to time be set forth in a written agreement between the Company and a stockholder.

ARTICLE VI

DIRECTOR LIABILITY

1. The liability of the directors of the Company for monetary damages shall be eliminated to the fullest extent under applicable law. If applicable law is amended after approval by the stockholders of this Article VI to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director to the Company shall be eliminated or limited to the fullest extent permitted by applicable law as so amended.

2. To the fullest extent permitted by applicable law, the Company is authorized to provide indemnification of (and advancement of expenses to) directors, officers, employees and agents of the Company (and any other persons to which applicable law permits the Company to provide indemnification) through (a) the Company's Bylaw provisions, (b) agreements with such directors, officers, agents or other persons or (c) vote of stockholders or disinterested directors.

3. Any amendment, elimination, impairment, repeal or modification of this Article VI shall only be prospective and shall not affect the rights or protections or increase the liability of any director under this Article VI in effect at the time of the alleged occurrence of any act or omission to act giving rise to liability or indemnification.

ARTICLE VII

BUSINESS COMBINATIONS WITH INTERESTED STOCKHOLDERS

The Company hereby elects not to be subject to or governed by Section 203 of the DGCL.

ARTICLE VIII

CORPORATE OPPORTUNITY RENOUNCEMENT

To the extent permitted by law, the Company renounces any interest or expectancy of the Company in, or in being offered an opportunity to participate in, any Specified Opportunity presented to a Covered Person and waives any claim that the Specified Opportunity constitutes a corporate opportunity that should have been presented by the Covered Person to the Company; *provided, however*, that the Covered Person acts in good faith. A "**Covered Person**" is any officer, member of the Board or stockholder (or affiliate thereof) who is not an employee of the Company or any of its subsidiaries. A "**Specified Opportunity**" is any transaction or other business opportunity that is not presented to the Covered Person solely in his or her capacity as an officer, member of the Board or stockholder of the Company (or affiliate thereof).

ARTICLE IX

MISCELLANEOUS

For the management of the business and for the conduct of the affairs of the Company, and in further definition, limitation and regulation of the powers of the Company, of its directors and of its stockholders or any class or series thereof, as the case may be, it is further provided that:

1. The management of the business and the conduct of the affairs of the Company shall be vested in its Board. Subject to the rights of any holders of any series of Preferred Stock to elect any Preferred Stock Directors, the number of directors that shall constitute the Board shall be fixed exclusively by resolutions adopted by a majority of the total number of the authorized number of directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board of Directors for adoption) (the "**Whole Board**"), subject to any restrictions which may be set forth in this Amended and Restated Certificate of Incorporation.

2. From and after the Final Conversion Date, the directors, other than any who may be elected by the holders of any series of Preferred Stock under specified circumstances (such directors, "**Preferred Stock Directors**"), shall be divided into three (3) classes as nearly equal in size as is practicable, hereby designated Class I, Class II and Class III. The Board is authorized to assign members of the Board already in office to such classes at the time the classification becomes effective. The term of office of the initial Class I directors shall expire at the first annual meeting of the stockholders following the Final Conversion Date, the term of office of the initial Class II directors shall expire at the second annual meeting of the stockholders following the Final Conversion Date, and the term of office of the initial Class III directors shall expire at the third annual meeting of the stockholders following the Final Conversion Date. At each annual meeting of stockholders, commencing with the first annual meeting of stockholders following the Final Conversion Date, each of the successors elected to replace the directors of a class whose term shall have expired at such annual meeting shall be elected to hold office until the third annual meeting next succeeding his or her election and until his or her respective successor shall have been duly elected and qualified or until his or her earlier death, resignation or removal. Prior to the Final Conversion Date, all directors shall be elected at each annual meeting of stockholders to serve until the next annual meeting of stockholders (except, for the avoidance of doubt, as provided in this Section 2 of Article IX in the event a Final Conversion Date occurs) and until his or her successor shall have been duly elected and qualified. Notwithstanding the foregoing provisions of this Article IX, whether before or after the Final Conversion Date, each director shall serve until his or her successor is duly elected and qualified or until his or her death, resignation, or removal. From and after the Final Conversion Date, if the number of directors is thereafter changed, any newly created directorships or decrease in directorships shall be so apportioned among the classes as to make all classes as nearly equal in number as is practicable. No decrease in the number of directors constituting the Board, whether before or after the Final Conversion Date, shall shorten the term of any incumbent director.

3. The Board is expressly empowered to adopt, amend or repeal the bylaws of the Company, subject to any restrictions that may be set forth in this Amended and Restated Certificate of Incorporation. The stockholders shall also have the power to adopt, amend or repeal the bylaws of the Company, subject to any restrictions that may be set forth in this Amended and Restated Certificate of Incorporation.

4. Special meetings of the stockholders may be called only (i) prior to the Final Conversion Date, by the holders of at least 25% of the voting power of the Class A Common Stock and Class B Common Stock, voting together as a single class, in accordance with the requirements of the bylaws of the Company; (ii) by the Board pursuant to a resolution adopted by a majority of the Whole Board; (iii) the chairperson of the Board; or (iv) by the chief executive officer of the Company.

5. Advance notice of nominations for the election of directors and of any other business to be brought by stockholders before any meeting of the stockholders of the Company will be given in the manner and to the extent provided in the bylaws of the Company.

6. Election.

6.1 The directors of the Company need not be elected by written ballot unless the bylaws so provide.

6.2 No stockholder entitled to vote at an election for directors may cumulate votes to which such stockholder is entitled unless required by applicable law at the time of such election.

6.3 Subject to any limitation imposed by applicable law and subject to the rights of the holders of any series of Preferred Stock in respect of any Preferred Stock Directors, any individual director or directors may be removed prior to the Final Conversion Date with or without cause, and from and after the Final Conversion Date only with cause, in each case, by the affirmative vote of the holders of at least two-thirds (2/3) of the voting power of all then-outstanding shares of capital stock of the Company entitled to vote generally at an election of directors.

6.4 Subject to any limitations imposed by applicable law and subject to the rights of the holders of any series of Preferred Stock in respect of any Preferred Stock Directors, (A) until the Final Conversion Date, any vacancies on the Board resulting from death, resignation, disqualification, removal or other causes and any newly created directorships resulting from any increase in the number of directors may be filled by the stockholders and, if not filled by the stockholders within 20 days following the public disclosure of such vacancy or newly created directorship by the Company, may be filled by the affirmative vote of a majority of the directors then in office, even though less than a quorum of the Board, or by a sole remaining director, and (B) following the Final Conversion Date, any vacancies on the Board resulting from death, resignation, disqualification, removal or other causes and any newly created directorships resulting from any increase in the number of directors, shall be filled by the affirmative vote of a majority of the directors then in office, even though less than a quorum of the Board, or by a sole remaining director. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the director for which the newly created directorship or vacancy was created or occurred and until such director's successor shall have been elected and qualified.

6.5 Notwithstanding anything herein to the contrary, during any period when the holders of any series of Preferred Stock, voting separately as a series or together with one or more series, have the right to elect Preferred Stock Directors, then upon commencement and for the duration of the period during which such right continues: (i) the then otherwise total authorized number of directors of the Company shall automatically be increased by such specified number of Preferred Stock Directors, and the holders of such Preferred Stock shall be entitled to elect the additional Preferred Stock Directors so provided for or fixed pursuant to said provisions; and (ii) each such additional Preferred Stock Director shall serve until such director's successor shall have been duly elected and qualified, or until such director's right to hold such office terminates pursuant to said provisions, whichever occurs earlier, subject to his or her earlier death, resignation, disqualification or removal. Except as otherwise provided by the Board in the resolution or resolutions establishing such series of Preferred Stock, whenever the holders of any series of Preferred Stock having such right to elect additional Preferred Stock Directors are divested of such right pursuant to the provisions of such stock, the terms of office of all such additional directors elected by the holders of such stock, or elected to fill any vacancies resulting from the death, resignation, disqualification or removal of such additional directors, shall cease to qualify to serve as directors and shall automatically cease to be a director, the terms of office of all such directors shall forthwith terminate and the total authorized number of directors of the Company shall be reduced accordingly.

7. Unless the Company consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if and only if the Court of Chancery of the State of Delaware lacks subject matter jurisdiction, any state court located within the State of Delaware or, if and only if all such state courts lack subject matter jurisdiction, the federal district court for the District of Delaware) and any appellate court therefrom shall be the sole and exclusive forum for the following claims or causes of action under the Delaware statutory or common law: (A) any derivative claim or cause of action brought on behalf of the Company; (B) any claim or cause of action for breach of a fiduciary duty owed by any current or former director, officer, other employee or stockholder of the Company, to the Company or the Company's stockholders; (C) any claim or cause of action arising out of or pursuant to any provision of the DGCL, this Amended and Restated Certificate of Incorporation or the bylaws of the Company (as each may be amended from time to time); (D) any claim or cause of action seeking to interpret, apply, enforce or determine the validity of this Amended and Restated Certificate of Incorporation or the bylaws of the Company (as each may be amended from time to time, including any right, obligation, or remedy thereunder); (E) any claim or cause of action as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware; and (F) any claim or cause of action governed by the internal-affairs doctrine, in all cases to the fullest extent permitted by law and subject to the court having personal jurisdiction over the indispensable parties named as defendants. This first paragraph of Section 7 of Article IX shall not apply to claims or causes of action brought to enforce a duty or liability created by the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, or any other claim for which the federal courts have exclusive jurisdiction.

Unless the Company consents in writing to the selection of an alternative forum, to the fullest extent permitted by law, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended, including all causes of action asserted against any defendant named in such complaint. For the avoidance of doubt, this provision is intended to benefit and may be enforced by the Company, its officers and directors, the underwriters to any offering giving rise to such complaint, and any other professional entity whose profession gives authority to a statement made by that person or entity and who has prepared or certified any part of the documents underlying the offering.

Any person or entity holding, owning or otherwise acquiring any interest in any security of the Company shall be deemed to have notice of and consented to the provisions of this Amended and Restated Certificate of Incorporation.

THREE: This Amended and Restated Certificate of Incorporation has been duly approved by the Board.

FOUR: This Amended and Restated Certificate of Incorporation was duly approved by the holders of the requisite number of shares of the Company in accordance with Section 228 of the DGCL. This Amended and Restated Certificate of Incorporation has been duly adopted in accordance with the provisions of Sections 242 and 245 of the DGCL.

IN WITNESS WHEREOF, Rani Therapeutics Holdings, Inc. has caused this Amended and Restated Certificate of Incorporation to be signed by its Chief Executive Officer this day of , 2021.

RANI THERAPEUTICS HOLDINGS, INC.

By: _____

Talat Imran
Chief Executive Officer

BYLAWS

OF

RANI THERAPEUTICS HOLDINGS, INC.

(A DELAWARE CORPORATION)

ARTICLE I

OFFICES

Section 1. Registered Office. The registered office of the corporation in the State of Delaware is 1209 Orange Street – Corporation Trust Center, City of Wilmington, County of New Castle, 19801 or in such other location as the Board of Directors of the corporation (the "***Board of Directors***") may from time to time determine or the business of the corporation may require.

Section 2. Other Offices. The corporation will also have and maintain an office or principal place of business at such place as may be fixed by the Board of Directors, and may also have offices at such other places, both within and without the State of Delaware, as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE II

CORPORATE SEAL

Section 3. Corporate Seal. The Board of Directors may adopt a corporate seal. Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE III

STOCKHOLDERS' MEETINGS

Section 4. Place of Meetings. Meetings of the stockholders of the corporation may be held at such place, either within or without the State of Delaware, as may be determined from time to time by the Board of Directors. The Board of Directors may, in its sole discretion, determine that the meeting will not be held at any place, but may instead be held solely by means of remote communication as provided under the Delaware General Corporation Law (the "***DGCL***").

Section 5. Annual Meeting.

(a) The annual meeting of the stockholders of the corporation, for the purpose of election of directors and for such other business as may lawfully come before it, will be held on such date and at such time as may be designated from time to time by the Board of Directors. Nominations of persons for election to the Board of Directors of the corporation and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders: (i) pursuant to the corporation's notice of meeting of stockholders; (ii) by or at the direction of the Board of Directors; or (iii) by any stockholder of the corporation who was a stockholder of record at the time of giving of notice provided for in the following paragraph, who is entitled to vote at the meeting and who complied with the notice procedures set forth in this Section.

(b) At an annual meeting of the stockholders, only such business will be conducted as has been properly brought before the meeting. For nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of paragraph (a) of this Section, (i) the stockholder must have given timely notice thereof in writing to the Secretary of the corporation, (ii) such other business must be a proper matter for stockholder action under the DGCL and applicable law, (iii) if the stockholder, or the beneficial owner on whose behalf any such proposal or nomination is made, has provided the corporation with a Solicitation Notice (as defined in this paragraph), such stockholder or beneficial owner must, in the case of a proposal, have delivered a proxy statement and form of proxy to

holders of at least the percentage of the corporation's voting shares required under applicable law to carry any such proposal, or, in the case of a nomination or nominations, have delivered a proxy statement and form of proxy to holders of a percentage of the corporation's voting shares reasonably believed by such stockholder or beneficial owner to be sufficient to elect the nominee or nominees proposed to be nominated by such stockholder, and must, in either case, have included in such materials the Solicitation Notice, and (iv) if no Solicitation Notice relating thereto has been timely provided pursuant to this Section, the stockholder or beneficial owner proposing such business or nomination must not have solicited a number of proxies sufficient to have required the delivery of such a Solicitation Notice under this Section. To be timely, a stockholder's notice will be delivered to the Secretary at the principal executive offices of the corporation not later than the close of business on the 90th day nor earlier than the close of business on the 120th day prior to the first anniversary of the preceding year's annual meeting; *provided, however*, that in the event that the date of the annual meeting is advanced more than 30 days prior to or delayed by more than 30 days after the anniversary of the preceding year's annual meeting, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the 10th day following the day on which public announcement of the date of such meeting is first made. In no event will the public announcement of an adjournment of an annual meeting commence a new time period for the giving of a stockholder's notice as described above. Such stockholder's notice will set forth: (A) as to each person whom the stockholder proposed to nominate for election or reelection as a director all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to Regulation 14A under the Securities Exchange Act of 1934, as amended (the "***1934 Act***"), and Rule 14a-4(d) thereunder (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected); (B) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; and (C) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the corporation's books, and of such beneficial owner, (ii) the class and number of shares of the corporation that are owned beneficially and of record by such stockholder and such beneficial owner, and (iii) whether either such stockholder or beneficial owner intends to deliver a proxy statement and form of proxy to holders of, in the case of the proposal, at least the percentage of the corporation's voting shares required under applicable law to carry the proposal or, in the case of a nomination or nominations, a sufficient number of holders of the corporation's voting shares to elect such nominee or nominees (an affirmative statement of such intent, a "***Solicitation Notice***").

(c) Notwithstanding anything in the second sentence of paragraph (b) of this Section to the contrary, in the event that the number of directors to be elected to the Board of Directors of the corporation is increased and there is no public announcement naming all of the nominees for director or specifying the size of the increased Board of Directors made by the corporation at least 100 days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section will also be considered timely, but only with respect to nominees for any new positions created by such increase, if it is delivered to the Secretary at the principal executive offices of the corporation not later than the close of business on the 10th day following the day on which such public announcement is first made by the corporation.

(d) Only such persons who are nominated in accordance with the procedures set forth in this Section (or elected or appointed pursuant to Article IV of these Bylaws) will be eligible to serve as directors and only such business will be conducted at a meeting of stockholders as has been brought before the meeting in accordance with the procedures set forth in this Section. Except as

otherwise provided by law, the chair of the meeting will have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made, or proposed, as the case may be, in accordance with the procedures set forth in these Bylaws and, if any proposed nomination or business is not in compliance with these Bylaws, to declare that such defective proposal or nomination will not be presented for stockholder action at the meeting and will be disregarded.

(e) Notwithstanding the foregoing provisions of this Section, in order to include information with respect to a stockholder proposal in the proxy statement and form of proxy for a stockholders' meeting, stockholders must provide notice as required by the regulations promulgated under the 1934 Act. Nothing in these Bylaws is deemed to affect any rights of stockholders to request inclusion of proposals in the corporation proxy statement pursuant to Rule 14a-8 under the 1934 Act.

(f) For purposes of this Section, "public announcement" means disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission (the "***SEC***") pursuant to Section 13, 14 or 15(d) of the 1934 Act.

Section 6. Special Meetings.

(a) Special meetings of the stockholders of the corporation may be called, for any purpose or purposes, by (i) the Chair of the Board of Directors, (ii) the Chief Executive Officer, (iii) the Board of Directors pursuant to a resolution adopted by directors representing a quorum of the directors then serving on the Board of Directors or (iv) by the holders of shares entitled to cast not less than 20% of the votes at the meeting, and will be held at such place, on such date, and at such time as the Board of Directors will fix.

(b) If a special meeting is properly called by any person or persons other than the Board of Directors, the request must be in writing, specifying the general nature of the business proposed to be transacted, and must be delivered personally or sent by certified or registered mail, return receipt requested, or by telegraphic or other facsimile transmission to the Chair of the Board of Directors, the Chief Executive Officer, or the Secretary of the corporation. No business may be transacted at such special meeting otherwise than specified in such notice. The Board of Directors will determine the time and place of such special meeting, which will be held not less than 35 nor more than 120 days after the date of the receipt of the request. Upon determination of the time and place of the meeting, the officer receiving the request will cause notice to be given to the stockholders entitled to vote, in accordance with the provisions of Section 7 of these Bylaws. Nothing contained in this paragraph (b) is to be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board of Directors may be held.

Section 7. Notice of Meetings. Except as otherwise provided by law, notice, given in writing or by electronic transmission, of each meeting of stockholders will be given not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting, such notice to specify the place, if any, date and hour, in the case of special meetings, the purpose or purposes of the meeting, and the means of remote communications, if any, by which stockholders and proxyholders may be deemed to be present in person and vote at any such meeting. If mailed, notice is given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the corporation. Notice of the time, place, if any, and purpose of any meeting of stockholders may be waived in writing, signed by the person entitled to notice thereof or by electronic transmission by such person, either before or after such meeting, and will be waived by any stockholder by his or her attendance thereat in person, by remote communication, if applicable, or by proxy, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any stockholder so waiving notice of such meeting will be bound by the proceedings of any such meeting in all respects as if due notice thereof had been given.

Section 8. Quorum. At all meetings of stockholders, except as otherwise provided by statute, the Certificate of Incorporation or these Bylaws, the presence, in person, by remote communication, if applicable, or by proxy duly authorized, of the holders of a majority of the outstanding shares of stock entitled to vote will constitute a quorum for the transaction of business. In the absence of a quorum, any meeting of stockholders may be adjourned, from time to time, either by the chair of the meeting or by vote of the holders of a majority of the shares represented thereat, but no other business will be transacted at such meeting. The stockholders present at a duly called or convened meeting, at which a quorum is present, may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum. Except as otherwise provided by statute, the Certificate of Incorporation or these Bylaws, in all matters other than the election of directors, the affirmative vote of a majority of shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and entitled to vote generally on the subject matter will be the act of the stockholders. Except as otherwise provided by statute, the Certificate of Incorporation or these Bylaws, directors will be elected by a plurality of the votes of the shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and entitled to vote generally on the election of directors. Where a separate vote by a class or classes or series is required, except as otherwise provided by statute, the Certificate of Incorporation or these Bylaws, a majority of the outstanding shares of such class or classes or series, present in person, by remote communication, if applicable, or represented by proxy duly authorized, will constitute a quorum entitled to take action with respect to that vote on that matter. Except as otherwise provided by statute, the Certificate of Incorporation or these Bylaws, the affirmative vote of the majority (plurality, in the case of the election of directors) of shares of such class or classes or series present in person, by remote communication, if applicable, or represented by proxy at the meeting will be the act of such class or classes or series.

Section 9. Adjournment and Notice of Adjourned Meetings. Any meeting of stockholders, whether annual or special, may be adjourned from time to time either by the chair of the meeting or by the vote of a majority of the shares present in person, by remote communication, if applicable, or represented by proxy. When a meeting is adjourned to another time or place, if any, notice need not be given of the adjourned meeting if the time and place, if any, thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the corporation may transact any business that might have been transacted at the original meeting pursuant to the Certificate of Incorporation, these Bylaws or applicable law. If the adjournment is for more than 30 days or if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting will be given to each stockholder of record entitled to vote at the meeting.

Section 10. Voting Rights. For the purpose of determining those stockholders entitled to vote at any meeting of the stockholders, except as otherwise provided by law, only persons in whose names shares stand on the stock records of the corporation on the record date, as provided in Section 12 of these Bylaws, will be entitled to vote at any meeting of stockholders. Every person entitled to vote or execute consents will have the right to do so either in person, by remote communication, if applicable, or by an agent or agents authorized by a proxy granted in accordance with Delaware law. An agent so appointed need not be a stockholder. No proxy will be voted after three years from its date of creation unless the proxy provides for a longer period.

Section 11. Joint Owners of Stock. If shares or other securities having voting power stand of record in the names of two or more persons, whether fiduciaries, members of a partnership, joint

tenants, tenants in common, tenants by the entirety, or otherwise, or if two or more persons have the same fiduciary relationship respecting the same shares, unless the Secretary is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship where it is so provided, their acts with respect to voting (including giving consent pursuant to Section 13) will have the following effect: (a) if only one votes, his or her act binds all; (b) if more than one votes and the vote is not evenly split, the act of the majority so voting binds all; (c) if more than one votes, but the vote is evenly split on any particular matter, each faction may vote the securities in question proportionally, or may apply to the Delaware Court of Chancery for relief as provided in the DGCL, Section 217(b). If the instrument filed with the Secretary shows that any such tenancy is held in unequal interests, a majority or even-split for the purpose of subsection (c) will be a majority or even-split in interest.

Section 12. List of Stockholders. The Secretary will prepare and make, at least 10 days before every meeting of stockholders, a complete list of the stockholders entitled to vote at said meeting, arranged in alphabetical order, showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list will be open to the examination of any stockholder, for any purpose germane to the meeting, on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or during ordinary business hours, at the principal place of business of the corporation. In the event that the corporation determines to make the list available on an electronic network, the corporation may take reasonable steps to ensure that such information is available only to stockholders of the corporation. The list will be open to examination of any stockholder during the time of the meeting as provided by law.

Section 13. Action Without Meeting.

(a) Unless otherwise provided in the Certificate of Incorporation, any action required by statute to be taken at any annual or special meeting of the stockholders, or any action that may be taken at any annual or special meeting of the stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent or consents setting forth the action so taken, will be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

(b) A consent must be set forth in writing or in an electronic transmission. Every consent will bear the date of signature of each stockholder who signs the consent, and no consent will be effective to take the corporate action referred to therein unless, within 60 days of the earliest dated consent delivered to the corporation in the manner herein required, consents signed by a sufficient number of stockholders to take action are delivered to the corporation in the manner required by the DGCL. All references to a consent in this Section mean a consent permitted by Section 228 of the DGCL.

(c) Prompt notice of the taking of the corporate action without a meeting by less than unanimous consent will be given to those stockholders who have not consented and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that consents signed by a sufficient number of stockholders to take action were delivered to the corporation as provided in Section 228(c) of the DGCL. If the action to which the stockholders consented is such as would have required the filing of a certificate under any section of the DGCL if such action had been voted on by stockholders at a meeting thereof, then the certificate filed under such section must state, in lieu of any statement required by such section concerning any vote of stockholders, that consent has been given in accordance with Section 228 of the DGCL.

(d) A consent permitted by this Section shall be delivered: (i) to the principal place of business of the corporation; (ii) to an officer or agent of the corporation having custody of the book in which proceedings of meetings of stockholders are recorded; (iii) to the registered office of the corporation in the State of Delaware by hand or by certified or registered mail, return receipt requested; (iv) subject to the next sentence, in accordance with Section 116 of the DGCL to an information processing system, if any, designated by the corporation for receiving such consents; or (v) when delivered in such other manner that complies with the DGCL. In the case of delivery pursuant to the foregoing clause (iv), such consent must set forth or be delivered with information that enables the corporation to determine the date of delivery of such consent and the identity of the person giving such consent, and, if such consent is given by a person authorized to act for a stockholder or member as proxy, such consent must comply with the applicable provisions of Section 212(c)(2) & (3) of the DGCL. Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing. A consent may be documented and signed in accordance with Section 116 of the DGCL, and when so documented or signed shall be deemed to be in writing for purposes of the DGCL; provided that if such consent is delivered pursuant to clause (i), (ii) or (iii) of subsection (d)(1) of Section 228 of the DGCL, such consent must be reproduced and delivered in paper form.

Section 14. Organization.

(a) At every meeting of stockholders, the Chair of the Board of Directors, or, if a Chair has not been appointed or is absent, the Chief Executive Officer, or, if the Chief Executive Officer is absent, a chair of the meeting chosen by a majority in interest of the stockholders entitled to vote, present in person or by proxy, will act as chair. The Secretary, or, in his or her absence, an Assistant Secretary directed to do so by the Chief Executive Officer, will act as secretary of the meeting.

(b) The Board of Directors is entitled to make such rules or regulations for the conduct of meetings of stockholders as it deems necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the chair of the meeting has the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chair, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, establishing an agenda or order of business for the meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on participation in such meeting to stockholders of record of the corporation and their duly authorized and constituted proxies and such other persons as the chair permits, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted to questions or comments by participants and regulation of the opening and closing of the polls for balloting on matters that are to be voted on by ballot. The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at the meeting will be announced at the meeting. Unless and to the extent determined by the Board of Directors or the chair of the meeting, meetings of stockholders will not be required to be held in accordance with rules of parliamentary procedure.

ARTICLE IV

DIRECTORS

Section 15. Number and Term of Office. The authorized number of directors of the corporation will be fixed by the Board of Directors from time to time. Directors need not be stockholders unless so required by the Certificate of Incorporation. If for any cause, the directors have not been elected at an annual meeting, they may be elected as soon thereafter as convenient.

Section 16. Powers. The business and affairs of the corporation will be managed by or under the direction of the Board of Directors, except as otherwise provided by statute or by the Certificate of Incorporation.

Section 17. Term of Directors. Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances, directors will be elected at each annual meeting of stockholders to serve until his or her successor is duly elected and qualified or until his or her death, resignation or removal. No decrease in the number of directors constituting the Board of Directors will shorten the term of any incumbent director.

Section 18. Vacancies. Unless otherwise provided in the Certificate of Incorporation, and subject to the rights of the holders of any series of Preferred Stock, any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other causes and any newly created directorships resulting from any increase in the number of directors will, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships will be filled by stockholders, be filled only by the affirmative vote of a majority of the directors then in office, even though less than a quorum of the Board of Directors, or by a sole remaining director; provided, however, that whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of the Certificate of Incorporation, vacancies and newly created directorships of such class or classes or series will, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships must be filled by stockholders, be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected. Any director elected in accordance with the preceding sentence will hold office for the remainder of the full term of the director for which the vacancy was created or occurred and until such director's successor has been elected and qualified. A vacancy in the Board of Directors will be deemed to exist under this Bylaw in the case of the death, removal or resignation of any director.

Section 19. Resignation. Any director may resign at any time by delivering his or her notice in writing or by electronic transmission to the Secretary, such resignation to specify whether it will be effective at a particular time, upon receipt by the Secretary or at the pleasure of the Board of Directors. If no such specification is made, it will be deemed effective at the pleasure of the Board of Directors. When one or more directors resigns from the Board of Directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, will have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations become effective, and each director so chosen will hold office for the unexpired portion of the term of the director whose place is vacated and until his or her successor has been duly elected and qualified.

Section 20. Removal. Subject to any limitations imposed by applicable law and unless otherwise provided in the Certificate of Incorporation, the Board of Directors or any director may be removed from office at any time, with or without cause, by the affirmative vote of the holders of a majority of the voting power of all then-outstanding shares of capital stock of the corporation entitled to vote generally at an election of directors.

Section 21. Meetings

(a) Regular Meetings. Unless otherwise restricted by the Certificate of Incorporation, regular meetings of the Board of Directors may be held at any time or date and at any place within or without the State of Delaware that has been designated by the Board of Directors and publicized among all directors, either orally or in writing, including a voice-messaging system or other system designated to record and communicate messages, facsimile, or by electronic mail or other electronic means. No further notice will be required for a regular meeting of the Board of Directors.

(b) Special Meetings. Unless otherwise restricted by the Certificate of Incorporation, special meetings of the Board of Directors may be held at any time and place within or without the State of Delaware whenever called by the Chair of the Board of Directors, the Chief Executive Officer (if a director), the President (if a director) or any director.

(c) Meetings by Electronic Communications Equipment. Any member of the Board of Directors, or of any committee thereof, may participate in a meeting by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting by such means constitutes presence in person at such meeting.

(d) Notice of Special Meetings. Notice of the time and place of all special meetings of the Board of Directors will be orally or in writing, by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other electronic means, during normal business hours, at least 24 hours before the date and time of the meeting. If notice is sent by US mail, it will be sent by first class mail, postage prepaid at least three days before the date of the meeting. Notice of any meeting may be waived in writing or by electronic transmission at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

(e) Waiver of Notice. The transaction of all business at any meeting of the Board of Directors, or any committee thereof, however called or noticed, or wherever held, will be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present and if, either before or after the meeting, each of the directors not present who did not receive notice signs a written waiver of notice or waives notice by electronic transmission. All such waivers will be filed with the corporate records or made a part of the minutes of the meeting.

Section 22. Quorum and Voting.

(a) Unless the Certificate of Incorporation requires a greater number, a quorum of the Board of Directors will consist of a majority of the total number of directors then serving; *provided*, *however*, that such number will never be less than 1/3 of the total number of directors authorized except that when one director is authorized, then one director will constitute a quorum. At any meeting, whether a quorum be present or otherwise, a majority of the directors present may adjourn from time to time until

the time fixed for the next regular meeting of the Board of Directors, without notice other than by announcement at the meeting. If the Certificate of Incorporation provides that one or more directors will have more or less than one vote per director on any matter, every reference in this Section to a majority or other proportion of the directors will refer to a majority or other proportion of the votes of the directors.

(b) At each meeting of the Board of Directors at which a quorum is present, all questions and business will be determined by the affirmative vote of a majority of the directors present, unless a different vote be required by law, the Certificate of Incorporation or these Bylaws.

Section 23. Action Without Meeting. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board of Directors or committee, as the case may be, consent in writing or by electronic transmission, and such writing or writings or transmission or transmissions are filed with the minutes of proceedings of the Board of Directors or committee. A consent may be documented, signed and delivered in any manner permitted by Section 116 of the DGCL. Such filing will be in paper form if the minutes are maintained in paper form and will be in electronic form if the minutes are maintained in electronic form.

Section 24. Fees and Compensation. Directors will be entitled to such compensation for their services as may be approved by the Board of Directors, including, if so approved, by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, for attendance at each regular or special meeting of the Board of Directors and at any meeting of a committee of the Board of Directors. Nothing herein contained is to be construed to preclude any director from serving the corporation in any other capacity as an officer, agent, employee, or otherwise and receiving compensation therefor.

Section 25. Committees.

(a) Executive Committee. The Board of Directors may appoint an Executive Committee to consist of one or more members of the Board of Directors. The Executive Committee, to the extent permitted by law and provided in the resolution of the Board of Directors, will have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers that may require it; but no such committee will have the power or authority in reference to (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopting, amending or repealing any bylaw of the corporation.

(b) Other Committees. The Board of Directors may, from time to time, appoint such other committees as may be permitted by law. Such other committees appointed by the Board of Directors will consist of one or more members of the Board of Directors and will have such powers and perform such duties as may be prescribed by the resolution or resolutions creating such committees, but in no event will any such committee have the powers denied to the Executive Committee in these Bylaws.

(c) Term. The Board of Directors, subject to any requirements of any outstanding series of Preferred Stock and the provisions of paragraphs (a) or (b) of this Section may at any time increase or decrease the number of members of a committee or terminate the existence of a committee. The membership of a committee member will terminate on the date of his or her death or voluntary resignation from the committee or from the Board of Directors. The Board of Directors may at any time for any reason remove any individual committee member and the Board of Directors may fill any committee vacancy created by death, resignation, removal or increase in the number of members of the committee. The Board of Directors may designate one or more directors as alternate members of any

committee, who may replace any absent or disqualified member at any meeting of the committee, and, in addition, in the absence or disqualification of any member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

(d) Meetings. Unless the Board of Directors otherwise provide, regular meetings of the Executive Committee or any other committee appointed pursuant to this Section will be held at such times and places as are determined by the Board of Directors, or by any such committee, and when notice thereof has been given to each member of such committee, no further notice of such regular meetings need be given thereafter. Special meetings of any such committee may be held at any place that has been determined from time to time by such committee, and may be called by any director who is a member of such committee, upon notice to the members of such committee of the time and place of such special meeting given in the manner provided for the giving of notice to members of the Board of Directors of the time and place of special meetings of the Board of Directors. Notice of any special meeting of any committee may be waived in writing at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends such special meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Unless otherwise provided by the Board of Directors in the resolutions authorizing the creation of the committee, a majority of the authorized number of members of any such committee will constitute a quorum for the transaction of business, and the act of a majority of those present at any meeting at which a quorum is present will be the act of such committee.

Section 26. Duties of Chair of the Board of Directors. The Chair of the Board of Directors, when present, will preside at all meetings of the stockholders and the Board of Directors. The Chair of the Board of Directors will perform other duties commonly incident to the office and will also perform such other duties and have such other powers as the Board of Directors designates from time to time. If there is no Chief Executive Officer and no President, then the Chair of the Board of Directors will also serve as the Chief Executive Officer of the corporation and will have the powers and duties prescribed in Section 29(b).

Section 27. Organization. At every meeting of the directors, the Chair of the Board of Directors, or, if a Chair has not been appointed or is absent, the Chief Executive Officer (if a director), or if the Chief Executive Officer is not a director or is absent, the President (if a director), or if the President is not a director or is absent, the most senior Vice President (if a director) or, in the absence of any such person, a chair of the meeting chosen by a majority of the directors present, will preside over the meeting. The Secretary, or in his or her absence, any Assistant Secretary directed to do so by the Chief Executive Officer or President, will act as secretary of the meeting.

ARTICLE V

OFFICERS

Section 28. Officers Designated. The officers of the corporation will include, if and when designated by the Board of Directors, the Chief Executive Officer, the President, one or more Vice Presidents, the Secretary, the Chief Financial Officer, the Treasurer and the Controller, all of whom will be elected or appointed from time to time by the Board of Directors. The Board of Directors may also appoint one or more Assistant Secretaries, Assistant Treasurers, Assistant Controllers and such other officers and agents with such powers and duties as it deems necessary. The Board of Directors may assign such additional titles to one or more of the officers as it deems appropriate. Any one person may hold any number of offices of the corporation at any one time unless specifically prohibited therefrom by law. The salaries and other compensation of the officers of the corporation will be fixed by or in the manner designated by the Board of Directors.

Section 29. Tenure and Duties of Officers.

(a) General. All officers will hold office at the pleasure of the Board of Directors and until their successors have been duly elected or appointed and qualified, unless sooner removed. Any officer elected or appointed by the Board of Directors may be removed at any time by the Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board of Directors, or by the Chief Executive Officer or other officer if so authorized by the Board of Directors.

(b) Duties of Chief Executive Officer. The Chief Executive Officer will preside at all meetings of the stockholders and (if a director) at all meetings of the Board of Directors, unless the Chair of the Board of Directors has been appointed and is present. The Chief Executive Officer will be the chief executive officer of the corporation and will, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. The Chief Executive Officer will perform other duties commonly incident to the office and will also perform such other duties and have such other powers as the Board of Directors designates from time to time.

(c) Duties of President. In the absence or disability of the Chief Executive Officer or if the office of Chief Executive Officer is vacant, the President will preside at all meetings of the stockholders and (if a director) at all meetings of the Board of Directors, unless the Chair of the Board of Directors has been appointed and is present. If the office of Chief Executive Officer is vacant, the President will be the chief executive officer of the corporation (including for purposes of any reference to Chief Executive Officer in these Bylaws) and will, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. The President will perform other duties commonly incident to the office and will also perform such other duties and have such other powers as the Board of Directors designates from time to time.

(d) Duties of Vice Presidents. The Vice Presidents may assume and perform the duties of the President in the absence or disability of the President or whenever the office of President is vacant. The Vice Presidents will perform other duties commonly incident to their office and will also perform such other duties and have such other powers as the Board of Directors or the President designates from time to time.

(e) Duties of Secretary. The Secretary will attend all meetings of the stockholders and of the Board of Directors and will record all acts and proceedings thereof in the minute book of the corporation. The Secretary will give notice in conformity with these Bylaws of all meetings of the stockholders and of all meetings of the Board of Directors and any committee thereof requiring notice. The Secretary will perform all other duties provided for in these Bylaws and other duties commonly incident to the office and will also perform such other duties and have such other powers as the Board of Directors will designate from time to time. The Chief Executive Officer may direct any Assistant Secretary to assume and perform the duties of the Secretary in the absence or disability of the Secretary, and each Assistant Secretary will perform other duties commonly incident to the office and will also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer designates from time to time.

(f) Duties of Chief Financial Officer. The Chief Financial Officer will keep or cause to be kept the books of account of the corporation in a thorough and proper manner and will render statements of the financial affairs of the corporation in such form and as often as required by the Board of

Directors or the Chief Executive Officer. The Chief Financial Officer, subject to the order of the Board of Directors, will have the custody of all funds and securities of the corporation. The Chief Financial Officer will perform other duties commonly incident to his or her office and will also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer designate from time to time. The Chief Executive Officer may direct the Treasurer or any Assistant Treasurer, or the Controller or any Assistant Controller to assume and perform the duties of the Chief Financial Officer in the absence or disability of the Chief Financial Officer, and each Treasurer and Assistant Treasurer and each Controller and Assistant Controller will perform other duties commonly incident to the office and will also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer designates from time to time.

Section 30. Delegation of Authority. The Board of Directors may from time to time delegate the powers or duties of any officer to any other officer or agent, notwithstanding any provision hereof.

Section 31. Resignations. Any officer may resign at any time by giving notice in writing or by electronic transmission notice to the Board of Directors or to the Chief Executive Officer or to the President or to the Secretary. Any such resignation will be effective when received by the person or persons to whom such notice is given, unless a later time is specified therein, in which event the resignation will become effective at such later time. Unless otherwise specified in such notice, the acceptance of any such resignation will not be necessary to make it effective. Any resignation will be without prejudice to the rights, if any, of the corporation under any contract with the resigning officer.

Section 32. Removal. Any officer may be removed from office at any time, either with or without cause, by the affirmative vote of a majority of the directors in office at the time, or by the unanimous written or electronic consent of the directors in office at the time, or by any committee or superior officers upon whom such power of removal may have been conferred by the Board of Directors.

ARTICLE VI

EXECUTION OF CORPORATE INSTRUMENTS AND VOTING OF SECURITIES OWNED BY THE CORPORATION

Section 33. Execution of Corporate Instruments. The Board of Directors may, in its discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute on behalf of the corporation any corporate instrument or document, or to sign on behalf of the corporation the corporate name, or to enter into contracts on behalf of the corporation, except as otherwise provided by law or these Bylaws, and such execution or signature will be binding upon the corporation. All checks and drafts drawn on banks or other depositaries of funds to the credit of the corporation or on special accounts of the corporation will be signed by such person or persons as the Board of Directors authorizes so to do. Unless authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee will have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

Section 34. Voting of Securities Owned by the Corporation. All stock and other securities of other corporations owned or held by the corporation for itself, or for other parties in any capacity, will be voted, and all proxies with respect thereto will be executed, by the person authorized so to do by resolution of the Board of Directors, or, in the absence of such authorization, by the Chair of the Board of Directors, the Chief Executive Officer, the President, or any Vice President.

ARTICLE VII

SHARES OF STOCK

Section 35. Form and Execution of Certificates. The shares of the corporation will be represented by certificates, or will be uncertificated. Certificates for the shares of stock, if any, of the corporation will be in such form as is consistent with the Certificate of Incorporation and applicable law. Every holder of shares of stock in the corporation represented by certificate will be entitled to have a certificate signed by or in the name of the corporation by any two authorized officers of the corporation, including but not limited to the Chief Executive Officer, the President, the Chief Financial Officer, any Vice President, the Treasurer or Assistant Treasurer or the Secretary or Assistant Secretary, certifying the number of shares owned by him or her in the corporation. Any or all of the signatures on the certificate may be facsimiles. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued with the same effect as if he or she were such officer, transfer agent, or registrar at the date of issue.

Section 36. Lost Certificates. A new certificate or certificates will be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen, or destroyed. The corporation may require, as a condition precedent to the issuance of a new certificate or certificates, the owner of such lost, stolen, or destroyed certificate or certificates, or the owner's legal representative, to agree to indemnify the corporation in such manner as it requires or to give the corporation a surety bond in such form and amount as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen, or destroyed.

Section 37. Restrictions on Transfer.

(a) The corporation will have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the corporation to restrict the sale, transfer, assignment, pledge, or other disposal of or encumbering of any of the shares of stock of the corporation or any right or interest therein, whether voluntarily or by operation of law, or by gift or otherwise (each, a "***Transfer***") of shares of stock of the corporation of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

(b) Transfers of record of shares of stock of the corporation will be made only upon its books by the holders thereof, in person or by attorney duly authorized, and, in the case of stock represented by certificate, upon the surrender of a properly endorsed certificate or certificates for a like number of shares.

(c) At the option of the corporation, the stockholder will be obligated to pay to the corporation a reasonable transfer fee related to the costs and time of the corporation and its legal and other advisors related to any proposed Transfer.

(d) If the stockholder desires to sell or otherwise Transfer any of his or her shares of stock, then the stockholder will first give written notice thereof to the corporation. The notice will name the proposed transferee and state the number of shares to be transferred, the proposed consideration, and all other terms and conditions of the proposed Transfer.

Section 38. Fixing Record Dates.

(a) In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix, in advance, a record date, which record date will not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date will, subject to applicable law, not be more than 60 nor less than 10 days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders will be at the close of business on the day immediately preceding the day on which notice is given, or if notice is waived, at the close of business on the day immediately preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders will apply to any adjournment of the meeting; *provided, however,* that the Board of Directors may fix a new record date for the adjourned meeting.

(b) In order that the corporation may determine the stockholders entitled to consent to corporate action without a meeting in accordance with Section 228 of the DGCL, the Board of Directors may fix a record date, which record date will not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which date will not be more than 10 days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. Any stockholder of record seeking to have the stockholders authorize or take corporate action without a meeting in accordance with Section 228 of the DGCL will, by written notice to the Secretary, request the Board of Directors to fix a record date. The Board of Directors will promptly, but in all events within 10 days after the date on which such a request is received, adopt a resolution fixing the record date. If no record date has been fixed by the Board of Directors within 10 days of the date on which such a request is received, the record date for determining stockholders entitled to consent to corporate action without a meeting, when no prior action by the Board of Directors is required by applicable law, will be the first date on which a signed consent setting forth the action taken or proposed to be taken is delivered to the corporation in accordance with the DGCL. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by law, the record date for determining stockholders entitled to consent to corporate action without a meeting will be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

(c) In order that the corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which record date will not precede the date upon which the resolution fixing the record date is adopted, and which record date will be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose will be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 39. Registered Stockholders. The corporation is entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and is not bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person whether or not it has express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VIII

OTHER SECURITIES OF THE CORPORATION

Section 40. Execution of Other Securities. All bonds, debentures and other corporate securities of the corporation, other than stock certificates (covered in Section 35 of these Bylaws), may be signed by the Chair of the Board of Directors, the Chief Executive Officer, the President or any Vice President, or such other person as may be authorized by the Board of Directors, and the corporate seal impressed thereon or a facsimile of such seal imprinted thereon and attested by the signature of the Secretary or an Assistant Secretary, or the Chief Financial Officer or Treasurer or an Assistant Treasurer; *provided*, *however*, that where any such bond, debenture or other corporate security is authenticated by the manual signature, or where permissible facsimile signature, of a trustee under an indenture pursuant to which such bond, debenture or other corporate security is issued, the signatures of the persons signing and attesting the corporate seal on such bond, debenture or other corporate security may be the imprinted facsimile of the signatures of such persons. Interest coupons appertaining to any such bond, debenture or other corporate security, authenticated by a trustee as aforesaid, will be signed by the Treasurer or an Assistant Treasurer of the corporation or such other person as may be authorized by the Board of Directors, or bear imprinted thereon the facsimile signature of such person. In case any officer who has signed or attested any bond, debenture or other corporate security, or whose facsimile signature appears thereon or on any such interest coupon, has ceased to be such officer before the bond, debenture or other corporate security so signed or attested has been delivered, such bond, debenture or other corporate security nevertheless may be adopted by the corporation and issued and delivered as though the person who signed the same or whose facsimile signature has been used thereon had not ceased to be such officer of the corporation.

ARTICLE IX

DIVIDENDS

Section 41. Declaration of Dividends. Dividends upon the capital stock of the corporation, subject to the provisions of the Certificate of Incorporation and applicable law, if any, may be declared by the Board of Directors pursuant to law at any regular or special meeting. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the Certificate of Incorporation and applicable law.

Section 42. Dividend Reserve. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the Board of Directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or for such other purpose as the Board of Directors thinks conducive to the interests of the corporation, and the Board of Directors may modify or abolish any such reserve in the manner in which it was created.

ARTICLE X

FISCAL YEAR

Section 43. Fiscal Year. The fiscal year of the corporation will be fixed by resolution of the Board of Directors.

ARTICLE XI

INDEMNIFICATION

Section 44. Indemnification of Directors, Executive Officers, Other Officers, Employees and Other Agents.

(a) Directors and Executive Officers. The corporation will indemnify its directors and executive officers (for the purposes of this Article, "executive officers" has the meaning defined in Rule 3b-7 promulgated under the 1934 Act) to the fullest extent not prohibited by the DGCL or any other applicable law; *provided, however,* that the corporation may modify the extent of such indemnification by individual contracts with its directors and executive officers; and, *provided, further,* that the corporation will not be required to indemnify any director or executive officer in connection with any proceeding (or part thereof) initiated by such person unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding was authorized by the Board of Directors of the corporation, (iii) such indemnification is provided by the corporation, in its sole discretion, pursuant to the powers vested in the corporation under the DGCL or any other applicable law or (iv) such indemnification is required to be made under paragraph (d) of this Section.

(b) Other Officers, Employees and Other Agents. The corporation will have power to indemnify its other officers, employees and other agents as set forth in the DGCL or any other applicable law. The Board of Directors will have the power to delegate the determination of whether indemnification will be given to any such person except executive officers to such officers or other persons as the Board of Directors determines.

(c) Expenses. The corporation will advance to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director or executive officer of the corporation, or is or was serving at the request of the corporation as a director or executive officer of another corporation, partnership, joint venture, trust or other enterprise, prior to the final disposition of the proceeding, promptly following request therefor, all expenses incurred by any director or executive officer in connection with such proceeding, *provided*, *however*, that, if the DGCL requires, an advancement of expenses incurred by a director or officer in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) will be made only upon delivery to the corporation of an undertaking, by or on behalf of such indemnitee, to repay all amounts so advanced if it is ultimately determined by final judicial decision from which there is no further right to appeal that such indemnitee is not entitled to be indemnified for such expenses under this Section or otherwise.

Notwithstanding the foregoing, unless otherwise determined pursuant to paragraph (e) of this Section, no advance will be made by the corporation to an executive officer of the corporation (except by reason of the fact that such executive officer is or was a director of the corporation, in which event this paragraph will not apply) in any action, suit or proceeding, whether civil, criminal, administrative or investigative, if a determination is reasonably and promptly made (i) by a majority vote of a quorum consisting of directors who were not parties to the proceeding, even if not a quorum, or (ii) by a committee of such directors designated by a majority of such directors, even though less than a quorum, or (iii) if there are no such directors, or such directors so direct, by independent legal counsel in a written opinion, that the facts known to the decision-making party at the time such determination is made demonstrate clearly and convincingly that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation.

(d) Enforcement. Without the necessity of entering into an express contract, all rights to indemnification and advances to directors and executive officers under this Section will be deemed to be contractual rights and be effective to the same extent and as if provided for in a contract between the corporation and the director or executive officer. Any right to indemnification or advances granted by this Section to a director or executive officer will be enforceable by or on behalf of the person holding such right in any court of competent jurisdiction if (i) the claim for indemnification or advances is denied, in whole or in part, or (ii) no disposition of such claim is made within 90 days of request therefor. The claimant in such enforcement action, if successful in whole or in part, will be entitled to be paid also the expense of prosecuting the claim. In connection with any claim for indemnification, the corporation will be entitled to raise as a defense to any such action that the claimant has not met the standards of conduct that make it permissible under the DGCL or any other applicable law for the corporation to indemnify the claimant for the amount claimed. In connection with any claim by an executive officer of the corporation (except in any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such executive officer is or was a director of the corporation) for advances, the corporation will be entitled to raise as a defense as to any such action clear and convincing evidence that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation, or with respect to any criminal action or proceeding that such person acted without reasonable cause to believe that his or her conduct was lawful. Neither the failure of the corporation (including its Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in the DGCL or any other applicable law, nor an actual determination by the corporation (including its Board of Directors, independent legal counsel or its stockholders) that the claimant has not met such applicable standard of conduct, will be a defense to the action or create a presumption that claimant has not met the applicable standard of conduct.

(e) Non-Exclusivity of Rights. The rights conferred on any person by this Section are not exclusive of any other right that such person may have or hereafter acquire under any applicable statute, provision of the Certificate of Incorporation, Bylaws, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding office. The corporation is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, to the fullest extent not prohibited by the DGCL or any other applicable law.

(f) Survival of Rights. The rights conferred on any person by this Section will continue as to a person who has ceased to be a director or executive officer and will inure to the benefit of the heirs, executors and administrators of such a person.

(g) Insurance. To the fullest extent permitted by the DGCL, or any other applicable law, the corporation, upon approval by the Board of Directors, may purchase insurance on behalf of any person required or permitted to be indemnified pursuant to this Section.

(h) Amendments. Any repeal or modification of this Section is only prospective and does not affect the rights under this Bylaw in effect at the time of the alleged occurrence of any action or omission to act that is the cause of any proceeding against any agent of the corporation.

(i) Saving Clause. If this Section or any portion hereof is invalidated on any ground by any court of competent jurisdiction, then the corporation will nevertheless indemnify each director and executive officer to the full extent not prohibited by any applicable portion of this Bylaw that has not been invalidated, or by any other applicable law. If this Section is invalid due to the application of the indemnification provisions of another jurisdiction, then the corporation will indemnify each director and executive officer to the full extent under applicable law.

(j) Certain Definitions. For the purposes of this Section, the following definitions apply:

(1) The term "proceeding" is to be broadly construed and includes, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration and appeal of, and the giving of testimony in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative.

(2) The term "expenses" is to be broadly construed and includes, without limitation, court costs, attorneys' fees, witness fees, fines, amounts paid in settlement or judgment and any other costs and expenses of any nature or kind incurred in connection with any proceeding.

(3) The term the "corporation" includes, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger that, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, stands in the same position under the provisions of this Section with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its separate existence had continued.

(4) References to a "director," "executive officer," "officer," "employee," or "agent" of the corporation include, without limitation, situations where such person is serving at the request of the corporation as, respectively, a director, executive officer, officer, employee, trustee or agent of another corporation, partnership, joint venture, trust or other enterprise.

(5) References to "other enterprises" include employee benefit plans; references to "fines" include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the corporation" include any service as a director, officer, employee or agent of the corporation that imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan is deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this Section.

ARTICLE XII

NOTICES

Section 45. Notices.

(a) Notice to Stockholders. Written notice to stockholders of stockholder meetings will be given as provided in Section 7 of these Bylaws. Without limiting the manner by which notice may otherwise be given effectively to stockholders under any agreement or contract with such stockholder, and except as otherwise required by law, written notice to stockholders for purposes other than stockholder meetings may be sent by United States mail or nationally recognized overnight courier, or by facsimile, telegraph or telex or by electronic mail or other electronic means.

(b) Notice to Directors. Any notice required to be given to any director may be given by the method stated in paragraph (a) of this Section, or as provided for in Section 21 of these Bylaws. If such notice is not delivered personally, it will be sent to such address as such director has filed in writing with the Secretary, or, in the absence of such filing, to the last known post office address of such director.

(c) Affidavit of Mailing. An affidavit of mailing, executed by a duly authorized and competent employee of the corporation or its transfer agent appointed with respect to the class of stock affected or other agent, specifying the name and address or the names and addresses of the stockholder or stockholders, or director or directors, to whom any such notice or notices was or were given, and the time and method of giving the same, will in the absence of fraud, be prima facie evidence of the facts therein contained.

(d) Methods of Notice. It is not necessary that the same method of giving notice be employed in respect of all recipients of notice, but one permissible method may be employed in respect of any one or more, and any other permissible method or methods may be employed in respect of any other or others.

(e) Notice to Person with Whom Communication Is Unlawful. Whenever notice is required to be given, under any provision of law or of the Certificate of Incorporation or Bylaws of the corporation, to any person with whom communication is unlawful, the giving of such notice to such person is not required and there is no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting that is taken or held without notice to any such person with whom communication is unlawful has the same force and effect as if such notice had been duly given. In the event that the action taken by the corporation is such as to require the filing of a certificate under any provision of the DGCL, the certificate will state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

(f) Notice to Stockholders Sharing an Address. Except as otherwise prohibited under DGCL, any notice given under the provisions of DGCL, the Certificate of Incorporation or the Bylaws will be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Such consent is deemed to have been given if such stockholder fails to object in writing to the corporation within 60 days of having been given notice by the corporation of its intention to send the single notice. Any consent is revocable by the stockholder by written notice to the corporation.

ARTICLE XIII

AMENDMENTS

Section 46. Amendments. The Board of Directors is expressly empowered to adopt, amend or repeal Bylaws of the corporation. The stockholders also have power to adopt, amend or repeal the Bylaws of the corporation; *provided*, *however*, that, in addition to any vote of the holders of any class or series of stock of the corporation required by law or by the Certificate of Incorporation, such action by stockholders requires the affirmative vote of the holders of a majority of the voting power of all of the then-outstanding shares of the capital stock of the corporation entitled to vote generally in the election of directors, voting together as a single class.

ARTICLE XIV

LOANS TO OFFICERS

Section 47. Loans to Officers. Except as otherwise prohibited under applicable law, the corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiaries, including any officer or employee who is a Director of the corporation or its subsidiaries, whenever, in the judgment of the Board of Directors, such loan, guarantee or assistance may reasonably be expected to benefit the corporation. The loan, guarantee or other assistance may be with or without interest and may be unsecured, or secured in such manner as the Board of Directors approves, including, without limitation, a pledge of shares of stock of the corporation. Nothing in these Bylaws is deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

ARTICLE XV

MISCELLANEOUS

Section 48. Annual Report.

(a) Subject to the provisions of paragraph (b) of this Section, the Board of Directors will cause an annual report to be sent to each stockholder of the corporation not later than 120 days after the close of the corporation's fiscal year. Such report will include a balance sheet as of the end of such fiscal year and an income statement and statement of changes in financial position for such fiscal year, accompanied by any report thereon of independent accountants or, if there is no such report, the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation. When there are more than 100 stockholders of record of the corporation's shares, as determined by Section 605 of the California General Corporation Law ("***CGCL***"), additional information as required by Section 1501(b) of the CGCL will also be contained in such report, provided that if the corporation has a class of securities registered under Section 12 of the 1934 Act, the 1934 Act will take precedence. Such report will be sent to stockholders at least 15 days prior to the next annual meeting of stockholders after the end of the fiscal year to which it relates.

(b) If and so long as there are fewer than 100 holders of record of the corporation's shares, the requirement of sending of an annual report to the stockholders of the corporation is hereby expressly waived.

Section 49. Forum. Unless the corporation consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware is the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the corporation; (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the corporation to the corporation or the corporation's stockholders; (iii) any action asserting a claim against the corporation or any director or officer or other employee of the corporation arising pursuant to any provision of the DGCL, the certificate of incorporation or the Bylaws of the corporation; or (iv) any action asserting a claim against the corporation or any director or officer or other employee of the corporation governed by the internal affairs doctrine.

RANI THERAPEUTICS HOLDINGS, INC.
CERTIFICATE OF SECRETARY

I hereby certify that:

I am the duly elected and acting Secretary of **Rani Therapeutics Holdings, Inc.**, a Delaware corporation (the "***Company***"); and

Attached hereto is a complete and accurate copy of the Bylaws of the Company as duly adopted by the Board of Directors of the Company by Unanimous Written Consent dated April 6, 2021 and said Bylaws are presently in effect.

This Certificate of Secretary may be executed via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and will be deemed to have been duly and validly delivered and be valid and effective for all purposes. Signed on April 6, 2021.

/s/ Svai Sanford
Svai Sanford
Secretary

AMENDED AND RESTATED BYLAWS

OF

RANI THERAPEUTICS HOLDINGS, INC.
(A DELAWARE CORPORATION)

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AMENDED AND RESTATED BYLAWS

OF

RANI THERAPEUTICS HOLDINGS, INC.
(A DELAWARE CORPORATION)

ARTICLE I

OFFICES

Section 1. Registered Office. The registered office of the corporation in the State of Delaware is 1209 Orange Street – Corporation Trust Center, City of Wilmington, County of New Castle, 19801 or in such other location as the Board of Directors of the corporation (the "**Board of Directors**") may from time to time determine or the business of the corporation may require.

Section 2. Other Offices. The corporation shall also have and maintain an office or principal place of business at such place as may be fixed by the Board of Directors, and may also have offices at such other places, both within and without the State of Delaware as the Board of Directors may from time to time determine or the business of the corporation may require.

ARTICLE II

CORPORATE SEAL

Section 3. Corporate Seal. The Board of Directors may adopt a corporate seal. If adopted, the corporate seal shall consist of a die bearing the name of the corporation and the inscription, "Corporate Seal-Delaware." Said seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise.

ARTICLE III

STOCKHOLDERS' MEETINGS

Section 4. Place of Meetings. Meetings of the stockholders of the corporation may be held at such place, either within or without the State of Delaware, as may be determined from time to time by the Board of Directors. The Board of Directors may, in its sole discretion, determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication as provided under the Delaware General Corporation Law ("**DGCL**").

Section 5. Annual Meeting.

(a) The annual meeting of the stockholders of the corporation, for the purpose of election of directors and for such other business as may properly come before it, shall be held on such date and at such time as may be designated from time to time by the Board of Directors. Nominations of persons for election to the Board of Directors of the corporation and the proposal of business to be considered by the stockholders may be made at an annual meeting of stockholders: (i) with respect to business other than nominations, pursuant to the corporation's notice of meeting of stockholders (or any supplement thereto); (ii) if brought specifically by or at the direction of the Board of Directors or any duly authorized committee thereof; or (iii) by any stockholder of the corporation who was a stockholder of record at the time of giving

the stockholder's notice provided for in Section 5(b) below, who is entitled to vote at the meeting and who complied with the notice procedures set forth in Section 5. For the avoidance of doubt, clause (iii) above shall be the exclusive means for a stockholder to make nominations and submit other business (other than matters properly included in the corporation's notice of meeting of stockholders and proxy statement under Rule 14a-8 under the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder (the "**1934 Act**")) before an annual meeting of stockholders.

(b) At an annual meeting of the stockholders, only such business shall be conducted as is a proper matter for stockholder action under Delaware law and, with respect to nominations and business to be brought before an annual meeting by a stockholder pursuant to clause (iii) of Section 5(a) of these Bylaws, as shall have been properly brought before the meeting in accordance with the procedures below.

(i) For nominations for the election to the Board of Directors to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of Section 5(a) of these Bylaws, the stockholder must deliver personally or send by certified or registered mail, return receipt requested, written notice to the Secretary at the principal executive offices of the corporation on a timely basis as set forth in Section 5(b)(iii) and must update and supplement such written notice on a timely basis as set forth in Section 5(c). The number of nominees a stockholder may nominate for election at the annual meeting (or in the case of a stockholder giving the notice on behalf of a beneficial owner, the number of nominees a stockholder may nominate for election at the annual meeting on behalf of such beneficial owner) shall not exceed the number of directors to be elected at such annual meeting. Such stockholder's notice shall set forth: (A) as to each nominee such stockholder proposes to nominate at the meeting: (1) the name, age, business address and residence address of such nominee, (2) the principal occupation or employment of such nominee, (3) the class and number of shares of each class of capital stock of the corporation which are owned of record and beneficially by such nominee, (4) the date or dates on which such shares were acquired and the investment intent of such acquisition, (5) such other information concerning such nominee as would be required to be disclosed in a proxy statement soliciting proxies for the election of such nominee as a director in an election contest (even if an election contest is not involved), or that is otherwise required to be disclosed pursuant to Section 14 of the 1934 Act (including such person's written consent to being named as a nominee and to serving as a director if elected) and (6) such person's written consent to being named in the corporation's proxy statement and proxy card as a nominee of the stockholder making the nomination; and (B) the information required by Section 5(b)(iv). The corporation may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as an independent director of the corporation or that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of such proposed nominee.

(ii) Other than proposals sought to be included in the corporation's proxy materials pursuant to Rule 14a-8 under the 1934 Act, for business other than nominations for the election to the Board of Directors to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of Section 5(a) of these Bylaws, the stockholder must deliver personally or send by certified or registered mail, return receipt requested, written notice to the Secretary at the principal executive offices of the corporation on a timely basis as set forth in Section 5(b)(iii), and must update and supplement such written notice on a timely basis as set forth in Section 5(c). Such stockholder's notice shall set forth: (A) as to each matter such stockholder proposes to bring before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and, in the event that such business includes a proposal to amend the bylaws of the corporation, the language of the proposed amendment), the reasons for conducting such business at the meeting, and any material interest (including any anticipated benefit of such business to any Proponent (as defined below) other than solely as a result of its ownership of the corporation's capital stock, that is material to any Proponent individually, or to the Proponents in the aggregate) in such business of any Proponent; and (B) the information required by Section 5(b)(iv).

(iii) To be timely, the written notice required by Section 5(b)(i) or Section 5(b)(ii) must be received by the Secretary at the principal executive offices of the corporation not later than the close of business on the ninetieth (90th) day nor earlier than the close of business on the one hundred twentieth (120th) day prior to the first anniversary of the preceding year's annual meeting; *provided, however,* that, subject to the last sentence of this Section 5(b)(iii), in the event that the date of the annual meeting is advanced more than thirty (30) days prior to or delayed by more than thirty (30) days after the anniversary of the preceding year's annual meeting, notice by the stockholder to be timely must be so received not earlier than the close of business on the one hundred twentieth (120th) day prior to such annual meeting and not later than the close of business on the later of the ninetieth (90th) day prior to such annual meeting or the tenth (10th) day following the day on which public announcement of the date of such meeting is first made. In no event shall an adjournment or a postponement of an annual meeting for which notice has been given, or the public announcement thereof has been made, commence a new time period for the giving of a stockholder's notice as described above.

(iv) The written notice required by Section 5(b)(i) or Section 5(b)(ii) shall also set forth, as of the date of the notice and as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (each, a "**Proponent**" and collectively, the "**Proponents**"): (A) the name and address of each Proponent, as they appear on the corporation's books; (B) the class, series and number of shares of the corporation that are owned beneficially and of record by each Proponent; (C) a description of any agreement, arrangement or understanding (whether oral or in writing) with respect to such nomination or proposal between or among any Proponent and any of its affiliates or associates, and any others (including their names) acting in concert, or otherwise under the agreement, arrangement or understanding, with any of the foregoing; (D) a representation that the Proponents are holders of record or beneficial owners, as the case may be, of shares of the corporation entitled to vote at the meeting and intend to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice (with respect to a notice under Section 5(b)(i)) or to propose the business that is specified in the notice (with respect to a notice under Section 5(b)(ii)), it being understood that if the Proponent is an entity, appearance in person at the meeting, shall require the presence of a duly authorized officer, manager or partner of such Proponent; (E) a representation as to whether the Proponents intend to deliver a proxy statement and form of proxy to holders of a sufficient number of holders of the corporation's voting shares to elect such nominee or nominees (with respect to a notice under Section 5(b)(i)) or to carry such proposal (with respect to a notice under Section 5(b)(ii)) and/or otherwise solicit proxies or votes from stockholders in support of such nominee or nominees or proposal; (F) to the extent known by any Proponent, the name and address of any other stockholder supporting the proposal on the date of such stockholder's notice; and (G) a description of all Derivative Transactions (as defined below) by each Proponent during the previous twelve (12) month period, including the date of the transactions and the class, series and number of securities involved in, and the material economic terms of, such Derivative Transactions.

(c) A stockholder providing written notice required by Section 5(b)(i) or Section 5(b)(ii) shall update and supplement such notice in writing, if necessary, so that the information provided or required to be provided in such notice is true and correct in all material respects as of (i) the record date for the meeting and (ii) the date that is five (5) business days prior to the meeting and, in the event of any adjournment or postponement thereof, five (5) business days prior to such adjourned or postponed meeting. In the case of an update and supplement pursuant to clause (i) of this Section 5(c), such update and supplement shall be received by the Secretary at the principal executive offices of the corporation not later than five (5) business days after the record date for the meeting. In the case of an update and supplement pursuant to clause (ii) of this Section 5(c), such update and supplement shall be received by the Secretary at the principal executive offices of the corporation not later than two (2) business days prior to the date for the meeting, and, in the event of any adjournment or postponement thereof, two (2) business days prior to such adjourned or postponed meeting.

(d) Notwithstanding anything in Section 5(b)(iii) to the contrary, in the event that the number of directors in an Expiring Class (as defined below) is increased and there is no public announcement of the appointment of a director to such class, or, if no appointment was made, of the vacancy in such class, made by the corporation at least ten (10) days before the last day a stockholder may deliver a notice of nomination in accordance with Section 5(b)(iii), a stockholder's notice required by this Section 5 and which complies with the requirements in Section 5(b)(i), other than the timing requirements in Section 5(b)(iii), shall also be considered timely, but only with respect to nominees for any new positions in such Expiring Class created by such increase, if it shall be received by the Secretary at the principal executive offices of the corporation not later than the close of business on the tenth (10th) day following the day on which such public announcement is first made by the corporation. For purposes of this section, an "Expiring Class" shall mean a class of directors whose term shall expire at the next annual meeting of stockholders.

(e) A person shall not be eligible for election or re-election as a director unless the person is nominated either in accordance with clause (ii) of Section 5(a), or in accordance with clause (iii) of Section 5(a). Except as otherwise required by law, the chairperson of the meeting shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made, or proposed, as the case may be, in accordance with the procedures set forth in these Bylaws and, if any proposed nomination or business is not in compliance with these Bylaws, or the Proponent does not act in accordance with the representations in Section 5(b)(iv)(D) (it being understood, for the avoidance of doubt, that the Proponent's absence at the meeting in person or by proxy shall be deemed to be an act not in accordance with Section 5(b)(iv)(D)) and 5(b)(iv)(E), to declare that such proposal or nomination shall not be presented for stockholder action at the meeting and shall be disregarded, notwithstanding that proxies in respect of such nominations or such business may have been solicited or received.

(f) Notwithstanding the foregoing provisions of this Section 5, in order to include information with respect to a stockholder proposal in the proxy statement and form of proxy for a stockholders' meeting, a stockholder must also comply with all applicable requirements of the 1934 Act. Nothing in these Bylaws shall be deemed to affect any rights of stockholders to request inclusion of proposals in the corporation's proxy statement pursuant to Rule 14a-8 under the 1934 Act; *provided, however,* that any references in these Bylaws to the 1934 Act are not intended to and shall not limit the requirements applicable to proposals and/or nominations to be considered pursuant to Section 5(a)(iii) of these Bylaws.

(g) For purposes of Section 5 and 6,

(i) "*affiliates*" and "*associates*" shall have the meanings set forth in Rule 405 under the Securities Act of 1933, as amended, and the rules and regulations thereunder (the "*1933 Act*").

(ii) a "*Derivative Transaction*" means any agreement, arrangement, interest or understanding entered into by, or on behalf or for the benefit of, any Proponent or any of its affiliates or associates, whether record or beneficial:

(w) the value of which is derived in whole or in part from the value of any class or series of shares or other securities of the corporation,

(x) which otherwise provides any direct or indirect opportunity to gain or share in any gain derived from a change in the value of securities of the corporation,

(y) the effect or intent of which is to mitigate loss, manage risk or benefit of security value or price changes, or

(z) which provides the right to vote or increase or decrease the voting power of, such Proponent, or any of its affiliates or associates, with respect to any securities of the corporation,

which agreement, arrangement, interest or understanding may include, without limitation, any option, warrant, debt position, note, bond, convertible security, swap, stock appreciation right, short position, profit interest, hedge, right to dividends, voting agreement, performance-related fee or arrangement to borrow or lend shares (whether or not subject to payment, settlement, exercise or conversion in any such class or series), and any proportionate interest of such Proponent in the securities of the corporation held by any general or limited partnership, or any limited liability company, of which such Proponent is, directly or indirectly, a general partner or managing member; and

(iii) "*public announcement*" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the 1934 Act.

Section 6. Special Meetings.

(a) Special meetings of the stockholders of the corporation may be called, for any purpose as is a proper matter for stockholder action under Delaware law, by (i) (A) the Chairperson of the Board of Directors, (B) the Chief Executive Officer, or (C) the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board of Directors for adoption) or (ii) at any point prior to the Final Conversion Date (as is defined in the Certificate of Incorporation of the corporation (as amended and/or restated from time to time, the "**Certificate of Incorporation**")), the holders of at least 25% of the voting power of the corporation's Class A Common Stock and Class B Common Stock, voting together as a single class, provided that such written request is in compliance with the requirements of Section 6(b) hereof (a meeting called pursuant to this Section 6(a)(ii), a "**Stockholder-Requested Meeting**"). A Stockholder-Requested Meeting may not be called on or after the Final Conversion Date. A request to call a special meeting pursuant to Section 6(a)(ii) shall not be valid unless made in accordance with the requirements and procedures set forth in this Section 6. Except as may otherwise be required by law, the Board of Directors shall determine, in its sole judgment, the validity of any request under Section 6(a)(ii), including whether such request was properly made in compliance with these Bylaws.

(b) For a special meeting called pursuant to Section 6(a)(i), the Board of Directors shall determine the time and place, if any, of such special meeting. Upon determination of the time and place, if any, of the meeting, the Secretary shall cause a notice of meeting to be given to the stockholders entitled to vote, in accordance with the provisions of Section 7 of these Bylaws. For a Stockholder-Requested Meeting, the request shall (i) be in writing, signed and dated by a stockholder of record, (ii) set forth the purpose of calling the special meeting and include the information required by the stockholder's notice as set forth in Section 5(b)(i) and in Section 5(b)(ii) (for the proposal of business other than nominations) and (iii) be delivered personally or sent by certified or registered mail, return receipt requested, to the Secretary at the principal executive offices of the corporation. If the Board of Directors determines that a request pursuant to Section 6(a)(ii) is

valid, the Board of Directors shall determine the time and place, if any, of a Stockholder-Requested Meeting, which time shall be not less than thirty (30) days nor more than ninety (90) days after the receipt of such request, and shall set a record date for the determination of stockholders entitled to notice of and to vote at such meeting in the manner set forth in Section 38 hereof. Following determination of the record date and the time and place, if any, of the meeting, the Secretary shall cause a notice of meeting to be given to the stockholders entitled thereto, in accordance with the provisions of Section 7 of these Bylaws. Business transacted at any special meeting called pursuant to Section 6(a) shall be limited to (A) the purpose(s) stated in the valid Special Meeting Request received from the Requisite Percentage of record holders and (B) any additional matters that the Board of Directors determines to include in the corporation's notice of the special meeting.

(c) Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the corporation's notice of meeting (i) by or at the direction of the Board of Directors or (ii) provided that the Board of Directors shall have determined that directors shall be elected at such meeting, by any stockholder of the corporation who is a stockholder of record at the time of giving notice provided for in this paragraph, who shall be entitled to vote at the meeting and who delivers personally or sends by certified or registered mail, return receipt requested, written notice to the Secretary of the corporation setting forth the information required by Section 5(b)(i). In the event the corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder of record may nominate a person or persons (as the case may be, provided that the number of nominees a stockholder may nominate (or in the case of a stockholder giving the notice on behalf of a beneficial owner, the number of nominees a stockholder may nominate on behalf of such beneficial owner) shall not exceed the number of directors to be elected at such special meeting), for election to such position(s) as specified in the corporation's notice of meeting, if written notice setting forth the information required by Section 5(b)(i) of these Bylaws shall be received by the Secretary at the principal executive offices of the corporation not later than the close of business on the later of the ninetieth (90th) day prior to such meeting or the tenth (10th) day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. The stockholder shall also update and supplement such information as required under Section 5(c). In no event shall an adjournment or a postponement of a special meeting for which notice has been given, or the public announcement thereof has been made, commence a new time period for the giving of a stockholder's notice as described above.

(d) Notwithstanding the foregoing provisions of this Section 6, a stockholder must also comply with all applicable requirements of the 1934 Act with respect to matters set forth in this Section 6. Nothing in these Bylaws shall be deemed to affect any rights of stockholders to request inclusion of proposals in the corporation's proxy statement pursuant to Rule 14a-8 under the 1934 Act; *provided*, *however,* that any references in these Bylaws to the 1934 Act are not intended to and shall not limit the requirements applicable to nominations for the election to the Board of Directors or proposals of other business to be considered pursuant to Section 6(a)(ii) or (c) of these Bylaws.

Section 7. Notice of Meetings. Except as otherwise provided by law, notice, given in writing or by electronic transmission, of each meeting of stockholders shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to notice of such meeting, such notice to specify the place, if any, date and hour, in the case of special meetings, the purpose or purposes of the meeting, and the means of remote communications, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at any such meeting. If mailed, notice is given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the corporation. Notice of the time, place, if any, and purpose of any

meeting of stockholders (to the extent required) may be waived in writing, signed by the person entitled to notice thereof, or by electronic transmission by such person, either before or after such meeting, and will be waived by any stockholder by his or her attendance thereat in person, by remote communication, if applicable, or by proxy, except when the stockholder attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any stockholder so waiving notice of such meeting shall be bound by the proceedings of any such meeting in all respects as if due notice thereof had been given.

Section 8. Quorum. At all meetings of stockholders, except where otherwise provided by statute or by the Certificate of Incorporation, or by these Bylaws, the presence, in person, by remote communication, if applicable, or by proxy duly authorized, of the holders of a majority of the voting power of the outstanding shares of stock entitled to vote at such meeting shall constitute a quorum for the transaction of business. Any meeting of stockholders may be adjourned, from time to time, by the chairperson of the meeting (whether or not a quorum is then present). In the absence of a quorum, any meeting of stockholders may, if directed to be voted on by the chairperson of the meeting, be adjourned by vote of the holders of a majority of the voting power of the shares represented thereat and entitled to vote thereon, but no other business shall be transacted at such meeting. The stockholders present at a duly called or convened meeting, at which a quorum is present, may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum. Except as otherwise provided by statute or by applicable stock exchange rules, or by the Certificate of Incorporation or these Bylaws, in all matters, other than the election of directors, the affirmative vote of the holders of a majority of the voting power of the shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and entitled to vote on the subject matter shall be the act of the stockholders. Except as otherwise provided by statute, the Certificate of Incorporation or these Bylaws, directors shall be elected by a plurality of the votes of the shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and entitled to vote generally on the election of directors. Where a separate vote by a class or classes or series is required, except where otherwise provided by statute or by the Certificate of Incorporation or these Bylaws or by applicable stock exchange rules, a majority of the voting power of the outstanding shares of such class or classes or series, present in person, by remote communication, if applicable, or represented by proxy duly authorized, shall constitute a quorum entitled to take action with respect to that vote on that matter. Except where otherwise provided by statute or by the Certificate of Incorporation or these Bylaws or by applicable stock exchange rules, the affirmative vote of the holders of a majority (plurality, in the case of the election of directors) of the voting power of the shares of such class or classes or series present in person, by remote communication, if applicable, or represented by proxy at the meeting and entitled to vote thereon shall be the act of such class or classes or series.

Section 9. Adjournment and Notice of Adjourned Meetings. Any meeting of stockholders, whether annual or special, may be adjourned from time to time either by the chairperson of the meeting or, if directed to be voted on by the chairperson of the meeting, by the vote of the holders of a majority of the voting power of the shares present in person, by remote communication, if applicable, or represented by proxy and entitled to vote thereon duly authorized at the meeting. When a meeting is adjourned to another time or place, if any, notice need not be given of the adjourned meeting if the time and place, if any, thereof, and the means of remote communication (if any) by which stockholders and proxyholders may be deemed present in person and vote at such adjourned meeting, are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the corporation may transact any business that might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for determination of stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall fix as the record date for determining stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for the determination of stockholders entitled to vote at the adjourned meeting, and shall give notice of the adjourned meeting to each stockholder of record as of the record date so fixed for notice of such adjourned meeting.

Section 10. Voting Rights. For the purpose of determining those stockholders entitled to vote at any meeting of the stockholders, except as otherwise provided by law, only persons in whose names shares stand on the stock records of the corporation on the record date, as provided in Section 12 of these Bylaws, shall be entitled to vote or execute consents at any meeting of stockholders. Every person entitled to vote shall have the right to do so either in person, by remote communication, if applicable, or by an agent or agents authorized by a proxy granted in accordance with Delaware law. An agent so appointed need not be a stockholder. No proxy shall be voted after three (3) years from its date unless the proxy provides for a longer period.

Section 11. Joint Owners of Stock. If shares or other securities having voting power stand of record in the names of two (2) or more persons, whether fiduciaries, members of a partnership, joint tenants, tenants in common, tenants by the entirety, or otherwise, or if two (2) or more persons have the same fiduciary relationship respecting the same shares, unless the Secretary is given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting shall have the following effect: (a) if only one (1) votes, his or her act binds all; (b) if more than one (1) votes, the act of the majority so voting binds all; (c) if more than one (1) votes, but the vote is evenly split on any particular matter, each faction may vote the securities in question proportionally, or may apply to the Delaware Court of Chancery for relief as provided in the DGCL, Section 217(b). If the instrument filed with the Secretary shows that any such tenancy is held in unequal interests, a majority or even-split for the purpose of subsection (c) shall be a majority or even-split in interest.

Section 12. List of Stockholders. The corporation shall prepare, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at said meeting in accordance with Section 219 of the DGCL, as amended from time to time.

Section 13. Action Without Meeting.

(a) Subject to the Certificate of Incorporation, any action required or permitted to be taken by the stockholders of the corporation may be effected at a duly called annual or special meeting of stockholders of the corporation and may be effected by any consent in writing or by electronic transmission by such stockholders.

(b) In order that the corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, so long as such action is not then prohibited under the Certificate of Incorporation , the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which date shall not be more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. Any stockholder of record seeking to have the stockholders authorize or take corporate action by written consent may, by written notice to the Secretary, request the Board of Directors to fix a record date. The Board of Directors shall promptly, but in all events within ten (10) days after the date on which such a request is received, adopt a resolution fixing the record date. If no request to fix a record date is made or no record date has been fixed by the Board of Directors within ten (10) days of the date on which such a request is received, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by applicable law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business or an officer or agent of the corporation

having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action.

Section 14. Organization.

(a) At every meeting of stockholders, the Chairperson of the Board of Directors, or, if a Chairperson has not been appointed or is absent, the Chief Executive Officer, or if no Chief Executive Officer is then serving or is absent, the President, or, if the President is absent, a chairperson of the meeting chosen by the Board of Directors, or if no chairperson is so chosen, a chairperson of the meeting chosen by the holders of a majority of the voting power of the shares entitled to vote, present in person or by proxy duly authorized, shall act as chairperson. The Chairperson of the Board of Directors may appoint the Chief Executive Officer as chairperson of the meeting. The Secretary, or, in his or her absence, an Assistant Secretary or other officer or other person directed to do so by the chairperson of the meeting, shall act as secretary of the meeting.

(b) The Board of Directors of the corporation shall have the right to postpone, cancel or reschedule any previously called annual meeting or special meeting of stockholders, including any Stockholder-Requested Special Meeting. The Board of Directors of the corporation shall be entitled to make such rules or regulations for the conduct of meetings of stockholders as it shall deem necessary, appropriate or convenient. Subject to such rules and regulations of the Board of Directors, if any, the chairperson of the meeting shall have the right and authority to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairperson, are necessary, appropriate or convenient for the proper conduct of the meeting, including, without limitation, convening and (for any or no reason) adjourning, postponing or recessing the meeting, establishing an agenda or order of business for the meeting, rules and procedures for maintaining order at the meeting and the safety of those present, limitations on participation in such meeting to stockholders of record of the corporation and their duly authorized and constituted proxies and such other persons as the chairperson shall permit, restrictions on entry to the meeting after the time fixed for the commencement thereof, limitations on the time allotted to questions or comments by participants and regulation of the opening and closing of the polls for balloting on matters which are to be voted on by ballot. The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting. Unless and to the extent determined by the Board of Directors or the chairperson of the meeting, meetings of stockholders shall not be required to be held in accordance with rules of parliamentary procedure.

ARTICLE IV

DIRECTORS

Section 15. Number and Term of Office. The authorized number of directors of the corporation shall be fixed in accordance with the Certificate of Incorporation. Directors need not be stockholders unless so required by the Certificate of Incorporation.

Section 16. Powers. The business and affairs of the corporation shall be managed by or under the direction of the Board of Directors, except as may be otherwise provided by statute or by the Certificate of Incorporation.

Section 17. Term of Directors. Subject to the rights of the holders of any series of Preferred Stock to elect additional directors under specified circumstances and if so provided in the Certificate of Incorporation, the directors of the corporation shall be divided into three classes. Otherwise, all of the directors will be elected at each annual meeting of stockholders, to hold office until the next annual meeting. Notwithstanding the foregoing provisions of this section, each director shall serve until his or her successor is duly elected and qualified or until his or her earlier death, resignation or removal. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

Section 18. Vacancies. Unless otherwise provided in the Certificate of Incorporation, and subject to the rights of the holders of any series of Preferred Stock, (A) until the Final Conversion Date, any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other causes and any newly created directorships resulting from any increase in the number of directors may be filled by the stockholders and, if not filled by the stockholders within 20 days following the public disclosure of such vacancy or newly created directorship by the corporation, may be filled by the affirmative vote of a majority of the directors then in office, even though less than a quorum of the Board of Directors, or by a sole remaining director, and (B) following the Final Conversion Date, any vacancies on the Board of Directors resulting from death, resignation, disqualification, removal or other causes and any newly created directorships resulting from any increase in the number of directors shall, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships shall be filled by stockholders, be filled only by the affirmative vote of a majority of the directors then in office, even though less than a quorum of the Board of Directors, or by a sole remaining director, and not by the stockholders, *provided*, *however*, that whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of the Certificate of Incorporation, vacancies and newly created directorships of such class or classes or series shall, unless the Board of Directors determines by resolution that any such vacancies or newly created directorships shall be filled by stockholders, be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected, and not by the stockholders. Any director elected in accordance with the preceding sentence shall hold office for the remainder of the full term of the director for which the vacancy was created or occurred and until such director's successor shall have been elected and qualified. A vacancy in the Board of Directors shall be deemed to exist under this Bylaw in the case of the death, removal or resignation of any director.

Section 19. Resignation. Any director may resign at any time by delivering his or her notice in writing or by electronic transmission to the Secretary, such resignation to specify whether it will be effective at a particular time. If no such specification is made, it shall be deemed effective at the time of delivery to the Secretary. When one or more directors shall resign from the Board of Directors, effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office for the unexpired portion of the term of the director whose place shall be vacated and until his or her successor shall have been duly elected and qualified.

Section 20. Removal. Any director may be removed in the manner provided in the Certificate of Incorporation.

Section 21. Meetings.

(a) Regular Meetings. Unless otherwise restricted by the Certificate of Incorporation, regular meetings of the Board of Directors may be held at any time or date and at any place within or without the State of Delaware which has been designated by the Board of Directors and publicized among all directors, either orally or in writing, by telephone, including a voice-messaging system or other system designed to record and communicate messages, facsimile, or by electronic mail or other electronic means. No further notice shall be required for regular meetings of the Board of Directors.

(b) Special Meetings. Unless otherwise restricted by the Certificate of Incorporation, special meetings of the Board of Directors may be held at any time and place within or without the State of Delaware whenever called by the Chairperson of the Board, the Chief Executive Officer or a majority of the total number of authorized directors.

(c) Meetings by Electronic Communications Equipment. Any member of the Board of Directors, or of any committee thereof, may participate in a meeting by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting by such means shall constitute presence in person at such meeting.

(d) Notice of Special Meetings. Notice of the time and place, if any, of all special meetings of the Board of Directors shall be orally or in writing, by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other means of electronic transmission, during normal business hours, at least twenty-four (24) hours before the time of the meeting. If notice is sent by U.S. mail, it shall be sent by first class mail, postage prepaid, at least three (3) days before the date of the meeting. Notice of any meeting may be waived in writing, or by electronic transmission, at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened.

(e) Waiver of Notice. The transaction of all business at any meeting of the Board of Directors, or any committee thereof, however called or noticed, or wherever held, shall be as valid as though it had been transacted at a meeting duly held after regular call and notice, if a quorum be present and if, either before or after the meeting, each of the directors not present who did not receive notice shall sign a written waiver of notice or shall waive notice by electronic transmission. All such waivers shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 22. Quorum and Voting.

(a) Unless the Certificate of Incorporation requires a greater number, and except with respect to questions related to indemnification arising under Section 44, a quorum of the Board of Directors shall consist of a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board of Directors for adoption); *provided, however,* at any meeting whether a quorum be present or otherwise, a majority of the directors present may adjourn from time to time until the time fixed for the next regular meeting of the Board of Directors, without notice other than by announcement at the meeting.

(b) At each meeting of the Board of Directors at which a quorum is present, all questions and business shall be determined by the affirmative vote of a majority of the directors present, unless a different vote be required by law, the Certificate of Incorporation or these Bylaws.

Section 23. Action Without Meeting. Unless otherwise restricted by the Certificate of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if all members of the Board of Directors or committee, as the case may be, consent thereto in writing or by electronic transmission. After an action is so taken, such writing or writings or transmission or transmissions shall be filed with the minutes of proceedings of the Board of Directors or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 24. Fees and Compensation. Directors shall be entitled to such compensation for their services as may be approved by the Board of Directors, including, if so approved, by resolution of the Board of Directors, a fixed sum and expenses of attendance, if any, for attendance at each regular or special meeting of the Board of Directors and at any meeting of a committee of the Board of Directors. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity as an officer, agent, employee, or otherwise and receiving compensation therefor.

Section 25. Committees.

(a) Executive Committee. The Board of Directors may appoint an Executive Committee to consist of one (1) or more members of the Board of Directors. The Executive Committee, to the extent permitted by law and provided in the resolution of the Board of Directors shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to (i) approving or adopting, or recommending to the stockholders, any action or matter (other than the election or removal of directors) expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopting, amending or repealing any Bylaw of the corporation.

(b) Other Committees. The Board of Directors may, from time to time, appoint such other committees as may be permitted by law. Such other committees appointed by the Board of Directors shall consist of one (1) or more members of the Board of Directors and shall have such powers and perform such duties as may be prescribed by the resolution or resolutions creating such committees, but in no event shall any such committee have the powers denied to the Executive Committee in these Bylaws.

(c) Term. The Board of Directors, subject to any requirements of any outstanding series of preferred stock and the provisions of subsections (a) or (b) of this Section 25, may at any time increase or decrease the number of members of a committee or terminate the existence of a committee. The membership of a committee member shall terminate on the date of his or her death or voluntary resignation from the committee or from the Board of Directors. The Board of Directors may at any time for any reason remove any individual committee member and the Board of Directors may fill any committee vacancy created by death, resignation, removal or increase in the number of members of the committee. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee, and, in addition, in the absence or disqualification of any member of a committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member.

(d) Meetings. Unless the Board of Directors shall otherwise provide, regular meetings of the Executive Committee or any other committee appointed pursuant to this Section 25 shall be held at such times and places as are determined by the Board of Directors, or by any such committee, and when notice thereof has been given to each member of such committee, no further notice of such regular meetings need be given thereafter. Special meetings of any such committee may be held at any place which has been determined from time to time by such committee, and may be called by any director who is a member of such committee, upon notice to the members of such committee of the time and place of such special meeting given in the manner provided for the giving of notice to members of the

Board of Directors of the time and place of special meetings of the Board of Directors. Notice of any special meeting of any committee may be waived in writing or by electronic transmission at any time before or after the meeting and will be waived by any director by attendance thereat, except when the director attends such special meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Unless otherwise provided by the Board of Directors in the resolutions authorizing the creation of the committee, a majority of the authorized number of members of any such committee shall constitute a quorum for the transaction of business, and the affirmative act of a majority of those present at any meeting at which a quorum is present shall be the act of such committee.

Section 26. Duties of Chairperson of the Board of Directors and Lead Independent Director.

(a) The Chairperson of the Board of Directors, if appointed and when present, shall preside at all meetings of the stockholders (subject to Section 14(a) hereof) and the Board of Directors. The Chairperson of the Board of Directors shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers, as the Board of Directors shall designate from time to time.

(b) The Chairperson of the Board of Directors, or if the Chairperson is not an independent director, one of the independent directors, may be designated by the Board of Directors as lead independent director to serve until replaced by the Board of Directors ("**Lead Independent Director**"). The Lead Independent Director will: with the Chairperson of the Board of Directors, establish the agenda for regular Board meetings and serve as chairperson of Board of Directors meetings in the absence of the Chairperson of the Board of Directors; establish the agenda for meetings of the independent directors; coordinate with the committee chairs regarding meeting agendas and informational requirements; preside over meetings of the independent directors; preside over any portions of meetings of the Board of Directors at which the evaluation or compensation of the Chief Executive Officer is presented or discussed; preside over any portions of meetings of the Board of Directors at which the performance of the Board of Directors is presented or discussed; and perform such other duties as may be established or delegated by the Board of Directors.

Section 27. Organization. At every meeting of the directors, the Chairperson of the Board of Directors, or, if a Chairperson has not been appointed or is absent, the Lead Independent Director, or if the Lead Independent Director has not been appointed or is absent, the Chief Executive Officer (if a director), or, if a Chief Executive Officer is absent, the President (if a director), or if the President is absent, the most senior Vice President (if a director), or, in the absence of any such person, a chairperson of the meeting chosen by a majority of the directors present, shall preside over the meeting. The Secretary, or in his or her absence, any Assistant Secretary or other officer, director or other person directed to do so by the person presiding over the meeting, shall act as secretary of the meeting.

ARTICLE V

OFFICERS

Section 28. Officers Designated. The officers of the corporation shall include, if and when designated by the Board of Directors, the Chief Executive Officer, the President, one or more Vice Presidents, the Secretary, the Chief Financial Officer and the Treasurer. The Board of Directors may also appoint one or more Assistant Secretaries and Assistant Treasurers and such other officers and agents with such powers and duties as it shall deem necessary. The Board of Directors may assign such additional titles to one or more of the officers as it shall deem appropriate. Any one person may hold any number of offices of the corporation at any one time unless specifically prohibited therefrom by law. The salaries and other compensation of the officers of the corporation shall be fixed by or in the manner designated by the Board of Directors or a committee thereof to which the Board of Directors has delegated such responsibility.

Section 29. Tenure and Duties of Officers.

(a) General. All officers shall hold office at the pleasure of the Board of Directors and until their successors shall have been duly elected and qualified, unless sooner removed. Any officer elected or appointed by the Board of Directors may be removed at any time by the Board of Directors. If the office of any officer becomes vacant for any reason, the vacancy may be filled by the Board of Directors.

(b) Duties of Chief Executive Officer. The Chief Executive Officer shall preside at all meetings of the stockholders and at all meetings of the Board of Directors (if a director), unless the Chairperson of the Board of Directors or (in the case of meetings of the Board of Directors) the Lead Independent Director has been appointed and is present. Unless an officer has been appointed Chief Executive Officer of the corporation, the President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. To the extent that a Chief Executive Officer has been appointed and no President has been appointed, all references in these Bylaws to the President shall be deemed references to the Chief Executive Officer. The Chief Executive Officer shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers, as the Board of Directors shall designate from time to time.

(c) Duties of President. The President shall preside at all meetings of the stockholders and at all meetings of the Board of Directors (if a director), unless the Chairperson of the Board of Directors, the Lead Independent Director (in the case of meetings of the Board of Directors) or the Chief Executive Officer has been appointed and is present. Unless another officer has been appointed Chief Executive Officer of the corporation, the President shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, have general supervision, direction and control of the business and officers of the corporation. The President shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers, as the Board of Directors (or the Chief Executive Officer, if the Chief Executive Officer and President are not the same person and the Board of Directors has delegated the designation of the President's duties to the Chief Executive Officer) shall designate from time to time.

(d) Duties of Vice Presidents. A Vice President may assume and perform the duties of the President in the absence or disability of the President or whenever the office of President is vacant (unless the duties of the President are being filled by the Chief Executive Officer). A Vice President shall perform other duties commonly incident to their office and shall also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer, or, if the Chief Executive Officer has not been appointed or is absent, the President shall designate from time to time.

(e) Duties of Secretary. The Secretary shall attend all meetings of the stockholders and of the Board of Directors and shall record all acts and proceedings thereof in the minute book of the corporation. The Secretary shall give notice in conformity with these Bylaws of all meetings of the stockholders and of all meetings of the Board of Directors and any committee thereof requiring notice. The Secretary shall perform all other duties provided for in these Bylaws and other duties commonly incident to the office and shall also perform such other duties and have such other powers, as the Board of Directors shall designate from time to time. The Chief Executive Officer, or if no Chief Executive Officer is then serving, the President may direct any Assistant Secretary or other officer to assume and perform the duties of the Secretary in the absence or disability of the Secretary, and each Assistant Secretary shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer, or if no Chief Executive Officer is then serving, the President shall designate from time to time.

(f) Duties of Chief Financial Officer. The Chief Financial Officer shall keep or cause to be kept the books of account of the corporation in a thorough and proper manner and shall render statements of the financial affairs of the corporation in such form and as often as required by the Board of Directors or the Chief Executive Officer, or if no Chief Executive Officer is then serving, the President. The Chief Financial Officer, subject to the order of the Board of Directors, shall have the custody of all funds and securities of the corporation. The Chief Financial Officer shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer, or if no Chief Executive Officer is then serving, the President shall designate from time to time. To the extent that a Chief Financial Officer has been appointed and no Treasurer has been appointed, all references in these Bylaws to the Treasurer shall be deemed references to the Chief Financial Officer. The President may direct the Treasurer, if any, or any Assistant Treasurer, or the controller or any assistant controller to assume and perform the duties of the Chief Financial Officer in the absence or disability of the Chief Financial Officer, and each Treasurer and Assistant Treasurer and each controller and assistant controller shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer, or if no Chief Executive Officer is then serving, the President shall designate from time to time.

(g) Duties of Treasurer. Unless another officer has been appointed Chief Financial Officer of the corporation, the Treasurer shall be the chief financial officer of the corporation and shall keep or cause to be kept the books of account of the corporation in a thorough and proper manner and shall render statements of the financial affairs of the corporation in such form and as often as required by the Board of Directors or the Chief Executive Officer, or if no Chief Executive Officer is then serving, the President, and, subject to the order of the Board of Directors, shall have the custody of all funds and securities of the corporation. The Treasurer shall perform other duties commonly incident to the office and shall also perform such other duties and have such other powers as the Board of Directors or the Chief Executive Officer, or if no Chief Executive Officer is then serving, the President and Chief Financial Officer (if not Treasurer) shall designate from time to time.

Section 30. Delegation of Authority. The Board of Directors may from time to time delegate the powers or duties of any officer to any other officer or agent, notwithstanding any provision hereof.

Section 31. Resignations. Any officer may resign at any time by giving notice in writing or by electronic transmission to the Board of Directors or to the Chief Executive Officer, or if no Chief Executive Officer is then serving, the President or to the Secretary. Any such resignation shall be effective when received by the person or persons to whom such notice is given, unless a later time is specified therein, in which event the resignation shall become effective at such later time. Unless otherwise specified in such notice, the acceptance of any such resignation shall not be necessary to make it effective. Any resignation shall be without prejudice to the rights, if any, of the corporation under any contract with the resigning officer.

Section 32. Removal. Any officer may be removed from office at any time, either with or without cause, by the affirmative vote of a majority of the directors in office at the time, or by the unanimous written consent of the directors in office at the time, or by any committee or by the Chief Executive Officer or by other superior officers upon whom such power of removal may have been conferred by the Board of Directors.

ARTICLE VI

EXECUTION OF CORPORATE INSTRUMENTS AND VOTING OF SECURITIES OWNED BY THE CORPORATION

Section 33. Execution of Corporate Instruments. The Board of Directors may, in its discretion, determine the method and designate the signatory officer or officers, or other person or persons, to execute on behalf of the corporation any corporate instrument or document, or to sign on behalf of the corporation the corporate name without limitation, or to enter into contracts on behalf of the corporation, except where otherwise provided by law or these Bylaws, and such execution or signature shall be binding upon the corporation.

All checks and drafts drawn on banks or other depositaries on funds to the credit of the corporation or in special accounts of the corporation shall be signed by such person or persons as the Board of Directors shall authorize so to do.

Unless authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

Section 34. Voting of Securities Owned by the Corporation. All stock and other securities of other corporations or other entities owned or held by the corporation for itself, or for other parties in any capacity, shall be voted (including by written consent), and all proxies with respect thereto shall be executed, by the person authorized so to do by resolution of the Board of Directors, or, in the absence of such authorization, by the Chairperson of the Board of Directors, the Chief Executive Officer, the President, or any Vice President.

ARTICLE VII

SHARES OF STOCK

Section 35. Form and Execution of Certificates. The shares of the corporation shall be represented by certificates, or shall be uncertificated if so provided by resolution or resolutions of the Board of Directors. Certificates for the shares of stock, if any, shall be in such form as is consistent with the Certificate of Incorporation and applicable law. Every holder of stock in the corporation represented by certificate shall be entitled to have a certificate signed by or in the name of the corporation by any two authorized officers of the corporation, certifying the number of shares owned by him in the corporation. Any or all of the signatures on the certificate may be facsimiles. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued with the same effect as if he were such officer, transfer agent, or registrar at the date of issue.

Section 36. Lost Certificates. A new certificate or certificates or uncertificated shares shall be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost, stolen, or destroyed. The corporation may require, as a condition precedent to the issuance of a new certificate or certificates or uncertificated shares, the owner of such lost, stolen, or destroyed certificate or certificates, or the owner’s legal representative, to agree to indemnify the corporation in such manner as it shall require or to give the corporation a surety bond in such form and amount as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost, stolen, or destroyed.

Section 37. Transfers.

(a) Transfers of record of shares of stock of the corporation shall be made only upon its books by the holders thereof, in person or by attorney duly authorized, and, in the case of stock represented by certificate, upon the surrender of a properly endorsed certificate or certificates for a like number of shares.

(b) The corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the corporation to restrict the transfer of shares of stock of the corporation of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

Section 38. Fixing Record Dates.

(a) In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall, subject to applicable law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the board of directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the board of directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided, however,* that the Board of Directors may fix a new record date for the adjourned meeting.

(b) In order that the corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix, in advance, a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than sixty (60) days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 39. Registered Stockholders. The corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends, and to vote as such owner, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

ARTICLE VIII

OTHER SECURITIES OF THE CORPORATION

Section 40. Execution of Other Securities. All bonds, debentures and other corporate securities of the corporation, other than stock certificates (covered in Section 35), may be

signed by the Chairperson of the Board of Directors, the Chief Executive Officer, the President or any Vice President, or such other person as may be authorized by the Board of Directors, and the corporate seal impressed thereon or a facsimile of such seal imprinted thereon and attested by the signature of the Secretary or an Assistant Secretary, or the Chief Financial Officer or Treasurer or an Assistant Treasurer; *provided, however,* that where any such bond, debenture or other corporate security shall be authenticated by the manual signature, or where permissible facsimile signature, of a trustee under an indenture pursuant to which such bond, debenture or other corporate security shall be issued, the signatures of the persons signing and attesting the corporate seal on such bond, debenture or other corporate security may be the imprinted facsimile of the signatures of such persons. Interest coupons appertaining to any such bond, debenture or other corporate security, authenticated by a trustee as aforesaid, shall be signed by the Treasurer or an Assistant Treasurer of the corporation or such other person as may be authorized by the Board of Directors, or bear imprinted thereon the facsimile signature of such person. In case any officer who shall have signed or attested any bond, debenture or other corporate security, or whose facsimile signature shall appear thereon or on any such interest coupon, shall have ceased to be such officer before the bond, debenture or other corporate security so signed or attested shall have been delivered, such bond, debenture or other corporate security nevertheless may be adopted by the corporation and issued and delivered as though the person who signed the same or whose facsimile signature shall have been used thereon had not ceased to be such officer of the corporation.

ARTICLE IX

DIVIDENDS

Section 41. Declaration of Dividends. Dividends upon the capital stock of the corporation, subject to the provisions of the Certificate of Incorporation and applicable law, if any, may be declared by the Board of Directors pursuant to law at any regular or special meeting. Dividends may be paid in cash, in property, or in shares of the capital stock, subject to the provisions of the Certificate of Incorporation and applicable law.

Section 42. Dividend Reserve. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends such sum or sums as the Board of Directors from time to time, in their absolute discretion, think proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or for such other purpose as the Board of Directors shall think conducive to the interests of the corporation, and the Board of Directors may modify or abolish any such reserve in the manner in which it was created.

ARTICLE X

FISCAL YEAR

Section 43. Fiscal Year. The fiscal year of the corporation shall be fixed by resolution of the Board of Directors.

ARTICLE XI

INDEMNIFICATION

Section 44. Indemnification of Directors, Executive Officers, Other Officers, Employees and Other Agents.

(a) Directors and executive officers. The corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a director or executive officer (for the purposes of this Article XI, "**executive officers**" shall have the meaning defined in Rule 3b-7 promulgated under the 1934 Act) of the corporation or while a director or executive officer of the corporation is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise to the extent not prohibited by the DGCL or any other applicable law; *provided, however,* that the corporation may modify the extent of such indemnification by individual contracts with its directors and executive officers; and, *provided, further,* that the corporation shall not be required to indemnify any director or executive officer in connection with any proceeding (or part thereof) initiated by such person unless (i) such indemnification is expressly required to be made by law, (ii) the proceeding (or part thereof) was authorized by the Board of Directors of the corporation, (iii) such indemnification is provided by the corporation, in its sole discretion, pursuant to the powers vested in the corporation under the DGCL or any other applicable law or (iv) such indemnification is required to be made under subsection (d).

(b) Other Officers, Employees and Other Agents. The corporation shall have the power to indemnify (including the power to advance expenses in a manner consistent with subsection (c)) its other officers, employees and other agents as set forth in the DGCL or any other applicable law. Subject to Section 145(d) of the DGCL, the Board of Directors shall have the power to delegate the determination of whether indemnification shall be given to any such person except executive officers to such officers or other persons as the Board of Directors shall determine.

(c) Expenses. The corporation shall advance to any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a director or executive officer, of the corporation, or is or was serving at the request of the corporation as a director or executive officer of another corporation, partnership, joint venture, trust or other enterprise, prior to the final disposition of the proceeding, promptly following request therefor, all expenses actually and reasonably incurred by any director or executive officer in connection with such proceeding provided, however, that if the DGCL requires, an advancement of expenses incurred by a director or executive officer in his or her capacity as a director or executive officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the corporation of an undertaking (hereinafter an "**undertaking**"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "**final adjudication**") that such indemnitee is not entitled to be indemnified for such expenses under this section or otherwise.

Notwithstanding the foregoing, unless otherwise determined pursuant to paragraph (e) of this section, no advance shall be made by the corporation to an executive officer of the corporation (except by reason of the fact that such executive officer is or was a director of the corporation in which event this paragraph shall not apply) in any action, suit or proceeding, whether civil, criminal, administrative or investigative, if a determination is reasonably and promptly made (i) by a majority vote of directors who were not parties to the proceeding, even if not a quorum, or (ii) by a committee of such directors designated

by a majority vote of such directors, even though less than a quorum, or (iii) if there are no such directors, or such directors so direct, by independent legal counsel in a written opinion, that the facts known to the decision-making party at the time such determination is made demonstrate clearly and convincingly that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation or with respect to any criminal action or proceeding that such person acted without reasonable cause to believe that his or her conduct was lawful.

(d) Enforcement. Without the necessity of entering into an express contract, all rights to indemnification and advances to directors and executive officers under this Bylaw shall be deemed to be contractual rights and be effective to the same extent and as if provided for in a contract between the corporation and the director or executive officer. Any right to indemnification or advances granted by this section to a director or executive officer shall be enforceable by or on behalf of the person holding such right in any court of competent jurisdiction if (i) the claim for indemnification or advances is denied, in whole or in part, or (ii) no disposition of such claim is made within ninety (90) days of request therefor. To the extent permitted by law, the claimant in such enforcement action, if successful in whole or in part, shall be entitled to be paid also the expense of prosecuting the claim. In connection with any claim for indemnification, the corporation shall be entitled to raise as a defense to any such action that the claimant has not met the standards of conduct that make it permissible under the DGCL or any other applicable law for the corporation to indemnify the claimant for the amount claimed. In connection with any claim by an executive officer of the corporation (except in any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such executive officer is or was a director of the corporation) for advances, the corporation shall be entitled to raise a defense as to any such action clear and convincing evidence that such person acted in bad faith or in a manner that such person did not believe to be in or not opposed to the best interests of the corporation, or with respect to any criminal action or proceeding that such person acted without reasonable cause to believe that his or her conduct was lawful. Neither the failure of the corporation (including its Board of Directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he or she has met the applicable standard of conduct set forth in the DGCL or any other applicable law, nor an actual determination by the corporation (including its Board of Directors, independent legal counsel or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that claimant has not met the applicable standard of conduct. In any suit brought by a director or executive officer to enforce a right to indemnification or to an advancement of expenses hereunder, the burden of proving that the director or executive officer is not entitled to be indemnified, or to such advancement of expenses, under this section or otherwise shall be on the corporation.

(e) Non-Exclusivity of Rights. The rights conferred on any person by this Bylaw shall not be exclusive of any other right which such person may have or hereafter acquire under any applicable statute, provision of the Certificate of Incorporation, Bylaws, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding office. The corporation is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees or agents respecting indemnification and advances, to the fullest extent not prohibited by the DGCL, or by any other applicable law.

(f) Survival of Rights. The rights conferred on any person by this Bylaw shall continue as to a person who has ceased to be a director or executive officer or officer, employee or other agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

(g) Insurance. To the fullest extent permitted by the DGCL or any other applicable law, the corporation may purchase insurance on behalf of any person required or permitted to be indemnified pursuant to this section.

(h) Amendments. Any elimination, impairment, amendment, repeal or modification of this section shall only be prospective and shall not affect the rights under this Bylaw in effect at the time of the alleged occurrence of any action or omission to act that is the cause of any proceeding against any agent of the corporation.

(i) Saving Clause. If this Bylaw or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the corporation shall nevertheless indemnify each director and executive officer to the full extent not prohibited by any applicable portion of this section that shall not have been invalidated, or by any other applicable law. If this section shall be invalid due to the application of the indemnification provisions of another jurisdiction, then the corporation shall indemnify each director and executive officer to the full extent under any other applicable law.

(j) Certain Definitions. For the purposes of this Bylaw, the following definitions shall apply:

(i) The term "**proceeding**" shall be broadly construed and shall include, without limitation, the investigation, preparation, prosecution, defense, settlement, arbitration and appeal of, and the giving of testimony in, any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative.

(ii) The term "**expenses**" shall be broadly construed and shall include, without limitation, court costs, attorneys' fees, witness fees, fines, amounts paid in settlement or judgment and any other costs and expenses of any nature or kind incurred in connection with any proceeding.

(iii) The term the "**corporation**" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this section with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its separate existence had continued.

(iv) References to a "**director**," "**executive officer**," "**officer**," "**employee**," or "**agent**" of the corporation shall include, without limitation, situations where such person is serving at the request of the corporation as, respectively, a director, executive officer, officer, employee, trustee or agent of another corporation, partnership, joint venture, trust or other enterprise.

(v) References to "**other enterprises**" shall include employee benefit plans; references to "**fines**" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "**serving at the request of the corporation**" shall include any service as a director, officer, employee or agent of the corporation which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "**not opposed to the best interests of the corporation**" as referred to in this section.

ARTICLE XII

NOTICES

Section 45. Notices.

(a) Notice to Stockholders. Written notice to stockholders of stockholder meetings shall be given as provided in Section 7 herein. Without limiting the manner by which notice may otherwise be given effectively to stockholders under any agreement or contract with such stockholder, and except as otherwise required by law, written notice to stockholders for purposes other than stockholder meetings may be sent by U.S. mail or nationally recognized overnight courier, or by facsimile or by electronic mail or other electronic means.

(b) Notice to Directors. Any notice required to be given to any director may be given by the method stated in subsection (a) or as otherwise provided in these Bylaws, with notice other than one which is delivered personally to be sent to such address as such director shall have filed in writing with the Secretary, or, in the absence of such filing, to the last known address of such director.

(c) Affidavit of Mailing. An affidavit of mailing, executed by a duly authorized and competent employee of the corporation or its transfer agent appointed with respect to the class of stock affected, or other agent, specifying the name and address or the names and addresses of the stockholder or stockholders, or director or directors, to whom any such notice or notices was or were given, and the time and method of giving the same, shall in the absence of fraud, be prima facie evidence of the facts therein contained.

(d) Methods of Notice. It shall not be necessary that the same method of giving notice be employed in respect of all recipients of notice, but one permissible method may be employed in respect of any one or more, and any other permissible method or methods may be employed in respect of any other or others.

(e) Notice to Person With Whom Communication is Unlawful. Whenever notice is required to be given, under any provision of law or of the Certificate of Incorporation or Bylaws of the corporation, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting which shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the corporation is such as to require the filing of a certificate under any provision of the DGCL, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

(f) Notice to Stockholders Sharing an Address. Except as otherwise prohibited under DGCL, any notice given under the provisions of DGCL, the Certificate of Incorporation or the Bylaws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. Such consent shall have been deemed to have been given if such stockholder fails to object in writing to the corporation within sixty (60) days of having been given notice by the corporation of its intention to send the single notice. Any consent shall be revocable by the stockholder by written notice to the corporation.

ARTICLE XIII

AMENDMENTS

Section 46. Amendments. Subject to the limitations set forth in Section 44(h) of these Bylaws or the provisions of the Certificate of Incorporation, the Board of Directors is expressly empowered to adopt, amend or repeal the Bylaws of the corporation. The stockholders also shall have power to adopt, amend or repeal the Bylaws of the corporation; *provided, however,* that, in addition to any vote of the holders of any class or series of stock of the corporation required by law or by the Certificate of Incorporation, such action by stockholders shall require the affirmative vote of the holders of a majority of the voting power of all of the then-outstanding shares of the capital stock of the corporation entitled to vote generally in the election of directors, voting together as a single class.

ARTICLE XIV

LOANS TO OFFICERS

Section 47. Loans To Officers. Except as otherwise prohibited by applicable law, the corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiaries, including any officer or employee who is a director of the corporation or its subsidiaries, whenever, in the judgment of the Board of Directors, such loan, guarantee or assistance may reasonably be expected to benefit the corporation. The loan, guarantee or other assistance may be with or without interest and may be unsecured, or secured in such manner as the Board of Directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing in these Bylaws shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

CERTIFICATION OF AMENDED AND RESTATED BYLAWS
OF
RANI THERAPEUTICS HOLDINGS, INC.

a Delaware Corporation

I, Svai Sanford, certify that I am Secretary of Rani Therapeutics Holdings, Inc., a Delaware corporation (the "**Corporation**"), that I am duly authorized to make and deliver this certification, that the attached Amended and Restated Bylaws are a true and complete copy of the Amended and Restated Bylaws of the Corporation in effect as of the date of this certificate.

Dated: , 2021

Svai Sanford, Secretary

Exhibit 10.4

INDEMNITY AGREEMENT

THIS INDEMNITY AGREEMENT (this "**Agreement**") dated as of [_____], is made by and between **RANI THERAPEUTICS HOLDINGS, INC.**, a Delaware corporation (the "**Company**" or "**Rani**"), and _____ ("**Indemnitee**").

RECITALS

A. The Company desires to attract and retain the services of highly qualified individuals as directors, officers, employees and agents.

B. The Company's amended and restated bylaws (the "**Bylaws**") require that the Company indemnify its directors and officers, and empowers the Company to indemnify its employees and agents, as authorized by the Delaware General Corporation Law, as amended (the "**Code**"), under which the Company is organized and such Bylaws expressly provide that the indemnification provided therein is not exclusive and contemplates that the Company may enter into separate agreements with its directors, officers and other persons to set forth specific indemnification provisions.

C. Indemnitee does not regard the protection currently provided by applicable law, the Bylaws, the Company's other governing documents, and available insurance as adequate under the present circumstances, and the Company has determined that Indemnitee and other directors, officers, employees and agents of the Company may not be willing to serve or continue to serve in such capacities without additional protection.

D. The Company desires and has requested Indemnitee to serve or continue to serve as a director, officer, employee or agent of the Company, as the case may be, and has proffered this Agreement to Indemnitee as an additional inducement to serve in such capacity.

E. Indemnitee is willing to serve, or to continue to serve, as a director, officer, employee or agent of the Company, as the case may be, if Indemnitee is furnished the indemnity provided for herein by the Company.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Definitions.

(a) Agent. For purposes of this Agreement, the term "Agent" of the Company means any person who: (i) is or was a director, officer, employee, agent, or other fiduciary of the Company or a subsidiary of the Company; or (ii) is or was serving at the request or for the convenience of, or representing the interests of, the Company or a subsidiary of the Company, as a director, officer, employee, agent, or other fiduciary of a foreign or domestic corporation, partnership, joint venture, trust or other enterprise.

(b) Change in Control. For purposes of this Agreement, a "**Change in Control**" shall be deemed to have occurred if (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing 20% or more of the total voting power represented by the Company's then outstanding Voting Securities, (ii) individuals who on the date of this Agreement are members of the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of

the members of the Board (*provided*, *however*, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member shall be considered as a member of the Incumbent Board), or (iii) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the Voting Securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into Voting Securities of the surviving entity) at least 80% of the total voting power represented by the Voting Securities of the Company or such surviving entity outstanding immediately after such merger or consolidation, or the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of (in one transaction or a series of transactions) all or substantially all of the Company's assets.

(c) Expenses. For purposes of this Agreement, the term "Expenses" shall be broadly construed and shall include, without limitation, all direct and indirect costs of any type or nature whatsoever (including, without limitation, all attorneys', witness, or other professional fees and related disbursements, and other out-of-pocket costs of whatever nature) actually and reasonably incurred by Indemnitee in connection with the investigation, defense or appeal of a proceeding or establishing or enforcing a right to indemnification under this Agreement, the Code or otherwise.

(d) Enterprise. For purposes of this Agreement, the term "Enterprise" means any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other entity for which Indemnitee is or was serving at the request of the Company as a director, officer, employee, or Agent

(e) Independent Counsel. For purposes of this Agreement, the term "Independent Counsel" means a law firm, or a partner (or, if applicable, member) of such a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five (5) years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party, or (ii) any other party to the proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement. The Company will pay the reasonable fees and expenses of the Independent Counsel referred to above and to fully indemnify such counsel against any and all expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

(f) Liabilities. For purposes of this Agreement, the term "Liabilities" shall be broadly construed and shall include, without limitation, judgments, damages, deficiencies, liabilities, losses, penalties, excise taxes, fines, assessments and amounts paid in settlement, including any interest and any federal, state, local or foreign taxes imposed as a result of the actual or deemed receipt of any payment under this Agreement.

(g) Proceedings. For purposes of this Agreement, the term "proceeding" shall be broadly construed and shall include, without limitation, any threatened, pending, or completed action, suit, claim, counterclaim, cross claim, arbitration, mediation, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing, or any other actual, threatened or completed proceeding, whether brought in the right of the Company or otherwise and whether of a civil, criminal, administrative or investigative nature, and whether formal or informal in any case, in which Indemnitee was, is or will be involved as a party, potential party, non-party witness, or otherwise by reason of: (i) the fact that Indemnitee is or was a director or officer of the Company; (ii) the fact that any action taken by Indemnitee (or a failure to take action by Indemnitee) or of any action (or failure to act) on Indemnitee's part while acting as an Agent; or (iii) the fact that Indemnitee is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan, or other enterprise, and in any such case described above, whether or not serving in any such capacity at the time any liability or Expense is incurred for which indemnification, reimbursement, or advancement of Expenses may be provided under this Agreement. If the Indemnitee believes in good faith that a given situation may lead to or culminate in the institution of a proceeding, this shall be considered a proceeding under this paragraph.

(h) Subsidiary. For purposes of this Agreement, the term "subsidiary" means any corporation, limited liability company, or other entity, of which more than 50% of the outstanding voting securities or equity interests are owned, directly or indirectly, by the Company and one or more of its subsidiaries, and any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise of which Indemnitee is or was serving at the request of the Company as an Agent.

(i) Voting Securities. For purposes of this Agreement, "***Voting Securities***" shall mean any securities of the Company that vote generally in the election of directors.

2. Agreement to Serve. Indemnitee will serve, or continue to serve, as the case may be, as an Agent, faithfully and to the best of his or her ability, at the will of such entity designated by the Company and at the request of the Company (or under separate agreement, if such agreement exists), in the capacity Indemnitee currently serves such entity, so long as Indemnitee is duly appointed or elected and qualified in accordance with the applicable provisions of the governance documents of such entity, or until such time as Indemnitee tenders his or her resignation in writing; provided, however, that nothing contained in this Agreement is intended as an employment agreement between Indemnitee and the Company or any of its subsidiaries or to create any right to continued employment of Indemnitee with the Company or any of its subsidiaries in any capacity.

The Company acknowledges that it has entered into this Agreement and assumes the obligations imposed on it hereby, in addition to and separate from its obligations to Indemnitee under the Bylaws, to induce Indemnitee to serve, or continue to serve, as an Agent, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as an Agent.

3. Indemnification.

(a) Indemnification in Third Party Proceedings. Subject to Section 10 below, the Company shall indemnify Indemnitee to the fullest extent permitted by the Code, as the same may be amended from time to time (but, to the fullest extent of the law, only to the extent that such amendment permits Indemnitee to broader indemnification rights than the Code permitted prior to adoption of such amendment), if Indemnitee is a party to or threatened to be made a party to or otherwise involved in any proceeding, other than a proceeding by or in the right of the Company to procure a judgment in its favor, for any and all Expenses and Liabilities (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses and Liabilities) incurred by Indemnitee in connection with the investigation, defense, settlement or appeal of such proceeding, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company and, in the case of a criminal proceeding had no reasonable cause to believe that Indemnitee's conduct was unlawful. The parties hereto intend that this Agreement shall provide to the fullest extent permitted by law for indemnification in excess of that expressly permitted by statute, including, without limitation, any indemnification provided by the Certificate of Incorporation of the Company, the Bylaws, vote of its stockholders or disinterested directors, or applicable law.

(b) Indemnification in Derivative Actions and Direct Actions by the Company. Subject to Section 10 below, the Company shall indemnify Indemnitee to the fullest extent permitted by the Code, as the same may be amended from time to time (but, fullest extent permitted by applicable law, only to the extent that such amendment permits Indemnitee to broader indemnification rights than the Code permitted prior to adoption of such amendment), if Indemnitee is a party to or threatened to be made a party to or otherwise involved in any proceeding by or in the right of the Company to procure a judgment in its favor, against any and all Expenses actually and reasonably incurred by Indemnitee in connection with the investigation, defense, settlement, or appeal of such proceedings, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the Company. No indemnification for Expenses shall be made under this Section 3(b) in respect of any claim, issue or matter

as to which Indemnitee shall have been finally adjudged by a court competent jurisdiction to be liable to the Company, unless and only to the extent that the Chancery Court of the State of Delaware or any court in which the proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, Indemnitee is fairly and reasonably entitled to indemnification.

4. Indemnification of Expenses of Successful Party. To the fullest extent permitted by law, the Company shall indemnify Indemnitee against all Expenses in connection with a proceeding to the extent that Indemnitee has been successful on the merits or otherwise in defense of any proceeding or in defense of any claim, issue or matter therein, in whole or part, including the dismissal of any action without prejudice. If Indemnitee is not wholly successful in such proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such proceeding, the Company shall indemnify Indemnitee against all Expenses incurred by Indemnitee or on Indemnitee's behalf in connection with or related to each successfully resolved claim, issue or matter to the fullest extent permitted by law.

5. Partial Indemnification; Witness Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of any Expenses and Liabilities incurred by Indemnitee in the investigation, defense, settlement or appeal of a proceeding, but is precluded by applicable law or the specific terms of this Agreement to indemnification for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled. Notwithstanding any other provision of this Agreement, to the fullest extent permitted by applicable law and to the extent that Indemnitee is, by reason of Indemnitee's acting as an Agent, a witness or otherwise asked to participate in any proceeding to which Indemnitee is not a party, Indemnitee shall be indemnified against all Expenses incurred by Indemnitee or on Indemnitee's behalf in connection therewith.

6. Advancement of Expenses. To the extent not prohibited by law, the Company shall advance the Expenses incurred by Indemnitee in connection with any proceeding, and such advancement shall be made within twenty (30) days after the receipt by the Company of a statement or statements requesting such advances (which shall include invoices received by Indemnitee in connection with such Expenses but, in the case of invoices in connection with legal services, any references to legal work performed or to expenditures made that would cause Indemnitee to waive any privilege accorded by applicable law shall not be included with the invoice). Advances shall be unsecured, interest free and without regard to Indemnitee's ability to repay the Expenses. Advances shall include any and all Expenses incurred by Indemnitee pursuing an action to enforce Indemnitee's right to indemnification under this Agreement or otherwise and this right of advancement, including expenses incurred preparing and forwarding statements to the Company to support the advances claimed. Indemnitee acknowledges that the execution and delivery of this Agreement shall constitute an undertaking providing that Indemnitee shall, to the fullest extent required by law, repay the advance (without interest) if and to the extent that it is ultimately determined by a court of competent jurisdiction in a final judgment, not subject to appeal, that Indemnitee is not entitled to be indemnified by the Company. The right to advances under this Section shall continue until final disposition of any proceeding, including any appeal therein. This Section 6 shall not apply to any claim made by Indemnitee for which indemnity is excluded pursuant to Section 10(b).

7. Notice and Other Indemnification Procedures.

(a) Notification of Proceeding. Indemnitee will notify the Company in writing promptly upon being served with any summons, citation, subpoena, complaint, indictment, information or other document relating to any proceeding or matter which may be subject to indemnification or advancement of Expenses covered hereunder. The written notification to the Company shall include a description of the nature of the proceeding and the facts underlying the proceeding. The failure of Indemnitee to so notify the Company shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise and any delay in so notifying the Company shall not constitute a waiver by Indemnitee of any rights under this Agreement. The Company will be entitled to participate in the proceeding at its own expense.

(b) Request for Indemnification Payments. To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification under the terms of this Agreement, and shall request payment thereof by the Company.

(c) Determination of Right to Indemnification Payments. Upon written request by Indemnitee for indemnification pursuant to the Section 7(b) hereof, a determination with respect to Indemnitee's entitlement thereto shall be made in the specific case by one of the following four methods, which shall be at the election of the Board of Directors: (1) by a majority vote of the disinterested directors, even though less than a quorum, (2) by a committee of disinterested directors designated by a majority vote of the disinterested directors, even though less than a quorum, (3) if there are no disinterested directors or if the disinterested directors so direct, by Independent Counsel in a written opinion to the Board of Directors, a copy of which shall be delivered to the Indemnitee, or (4) if so directed by the Board of Directors, by the stockholders of the Company; *provided*, *however*, that if there has been a Change in Control, then such determination shall be made by Independent Counsel selected by Indemnitee and approved by the Company (which approval shall not be unreasonably withheld). For purposes hereof, disinterested directors are those members of the board of directors of the Company who are not parties to the action, suit or proceeding in respect of which indemnification is sought by Indemnitee. Indemnification payments requested by Indemnitee under Section 3 hereof shall be made by the Company within sixty (60) days after the later or (1) receipt of the written request of Indemnitee and (2) the final disposition of the Proceeding for which Indemnification is sought. Claims for advancement of Expenses shall be made under the provisions of Section 6 herein.

(d) Application for Enforcement. In the event the Company fails to make timely payments as set forth in Sections 6 or 7(c) above, Indemnitee shall have the right to apply to the Chancery Court of the State of Delaware for the purpose of enforcing Indemnitee's right to indemnification or advancement of Expenses pursuant to this Agreement. In such an enforcement hearing or proceeding, the burden of proof shall be on the Company to prove that indemnification or advancement of Expenses to Indemnitee is not required under this Agreement or permitted by applicable law. Any determination by the Company (including its Board of Directors, a committee thereof, Independent Counsel) or stockholders, that Indemnitee is not entitled to indemnification hereunder, shall not be a defense by the Company to the action nor create any presumption that Indemnitee is not entitled to indemnification or advancement of Expenses hereunder.

(e) Indemnification of Certain Expenses. The Company shall indemnify Indemnitee against all Expenses incurred in connection with any hearing or proceeding under this Section 7 unless the Company prevails in such hearing or proceeding on the merits in all material respects.

8. Presumptions and Effect of Certain Proceedings.

(a) In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination will, to the fullest extent not prohibited by law, presume Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 7 of this Agreement, and the Company will, to the fullest extent not prohibited by law, have the burden of proof to overcome that presumption. Neither the failure of the Company (including by its directors or Independent Counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its directors or Independent Counsel) that Indemnitee has not met such applicable standard of conduct, will be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(b) If the determination of the Indemnitee's entitlement to indemnification has not made pursuant to Section 7 within sixty (60) days after the later of (i) receipt by the Company of Indemnitee's request for indemnification pursuant to Section 7 and (ii) the final disposition of the Proceeding

for which Indemnitee requested Indemnification (the "Determination Period"), the requisite determination of entitlement to indemnification will, to the fullest extent not prohibited by law, be deemed to have been made and Indemnitee will be entitled to such indemnification, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statement not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law. The Determination Period may be extended for a reasonable time, not to exceed an additional thirty (30) days, if the person, persons or entity making the determination with respect to entitlement to indemnification in good faith requires such additional time for the obtaining or evaluating of documentation and/or information relating thereto; and provided, further, the Determination Period may be extended an additional fifteen (15) days if the determination of entitlement to indemnification is to be made by the stockholders pursuant to Section 7(c) of this Agreement.

(c) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, will not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that Indemnitee's conduct was unlawful.

(d) For purposes of any determination of good faith, Indemnitee will be deemed to have acted in good faith if Indemnitee acted based on the records or books of account of the Company, its subsidiaries, or an Enterprise, including financial statements, or on information supplied to Indemnitee by the directors or officers of the Company, its subsidiaries, or an Enterprise in the course of their duties, or on the advice of legal counsel for the Company, its subsidiaries, or an Enterprise or on information or records given or reports made to the Company or an Enterprise by an independent certified public accountant or by an appraiser, financial advisor or other expert selected with reasonable care by or on behalf of the Company, its subsidiaries, or an Enterprise. Further, Indemnitee will be deemed to have acted in a manner "not opposed to the best interests of the Company," as referred to in this Agreement if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan. The provisions of this Section 8(d) is not exclusive and does not limit in any way the other circumstances in which the Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement.

(e) The knowledge and/or actions, or failure to act, of any director, officer, trustee, partner, managing member, fiduciary, agent or employee of the Enterprise may not be imputed to Indemnitee for purposes of determining Indemnitee's right to indemnification under this Agreement.

9. Insurance. To the extent that the Company maintains an insurance policy or policies providing liability insurance for Agents or for agents of any other Enterprise, Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such Agent or agent under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has director and officer liability insurance in effect or otherwise potentially available, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

10. Exceptions.

(a) Certain Matters. Any provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement to indemnify Indemnitee on account of any proceeding with respect to: (i) remuneration paid to Indemnitee if it is determined by final judgment or other final adjudication that such remuneration was in violation of law (and, in this respect, both the Company and Indemnitee have been advised that the Securities and Exchange Commission believes

that indemnification for liabilities arising under the federal securities laws is against public policy and is, therefore, unenforceable and that claims for indemnification should be submitted to appropriate courts for adjudication, as indicated in Section 10(d) below); (ii) a final judgment rendered against Indemnitee for an accounting, disgorgement or repayment of profits made from the purchase or sale by Indemnitee of securities of the Company against Indemnitee pursuant to the provisions of Section 16(b) of the Securities Exchange Act of 1934, as amended, or other provisions of any federal, state or local statute or rules and regulations thereunder; or (iii) a final judgment or other final adjudication that Indemnitee's conduct was in bad faith, knowingly fraudulent or deliberately dishonest or constituted willful misconduct (but only to the extent of such specific determination); or (iv) on account of conduct that is established by a final judgment as constituting a breach of Indemnitee's duty of loyalty to the Company or resulting in any personal profit or advantage to which Indemnitee is not legally entitled. For purposes of the foregoing sentence, a final judgment or other adjudication may be reached in either the underlying proceeding or action in connection with which indemnification is sought or a separate proceeding or action to establish rights and liabilities under this Agreement.

(b) Claims Initiated by Indemnitee. Any provision herein to the contrary notwithstanding, the Company shall not be obligated to indemnify or advance Expenses to Indemnitee with respect to proceedings or claims initiated or brought by Indemnitee against the Company or its Agents and not by way of defense, except (i) with respect to proceedings brought to establish or enforce a right to indemnification or advancement under this Agreement or under any other agreement, provision in the Bylaws or Certificate of Incorporation or applicable law, or (ii) with respect to any other proceeding initiated by Indemnitee that is either approved by the Board of Directors or Indemnitee's participation is required by applicable law. However, indemnification or advancement of Expenses may be provided by the Company in specific cases if the Board of Directors determines it to be appropriate.

(c) Unauthorized Settlements. Any provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement to indemnify Indemnitee under this Agreement for any amounts paid in settlement of a proceeding effected without the Company's written consent. Neither the Company nor Indemnitee shall unreasonably withhold consent to any proposed settlement; provided, however, that the Company may in any event decline to consent to (or to otherwise admit or agree to any liability for indemnification hereunder in respect of) any proposed settlement if the Company is also a party in such proceeding and determines in good faith that such settlement is not in the best interests of the Company and its stockholders.

(d) Securities Act Liabilities. Any provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement to indemnify Indemnitee or otherwise act in violation of any undertaking appearing in and required by the rules and regulations promulgated under the Securities Act of 1933, as amended (the "**Act**"), or in any registration statement filed with the SEC under the Act. Indemnitee acknowledges that paragraph (h) of Item 512 of Regulation S-K currently generally requires the Company to undertake in connection with any registration statement filed under the Act to submit the issue of the enforceability of Indemnitee's rights under this Agreement in connection with any liability under the Act on public policy grounds to a court of appropriate jurisdiction and to be governed by any final adjudication of such issue. Indemnitee specifically agrees that any such undertaking shall supersede the provisions of this Agreement and to be bound by any such undertaking.

(e) Prior Payments. The Company shall not be obligated pursuant to the terms of this Agreement to indemnify or advance Expenses to Indemnitee under this Agreement for which payment has actually been made to or on behalf of Indemnitee under any insurance policy or other indemnity provision, except to the extent made by the Associated Party (as defined below) as provided in Section 13 and except with respect to any excess beyond the amount paid under any insurance policy or indemnity policy.

11. Nonexclusivity and Survival of Rights. The provisions for indemnification and advancement of Expenses set forth in this Agreement shall not be deemed exclusive of any other rights which Indemnitee may at any time be entitled under any provision of applicable law, the Company's Certificate of Incorporation, Bylaws or other agreements, both as to action in, Indemnitee's official capacity and Indemnitee's action as an Agent, in any court in which a proceeding is brought, and Indemnitee's rights

hereunder shall continue after Indemnitee has ceased acting as an Agent and shall inure to the benefit of the heirs, executors, administrators and assigns of Indemnitee. The obligations and duties of the Company to Indemnitee under this Agreement shall be binding on the Company and its successors and assigns until terminated in accordance with its terms. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his or her corporate status prior to such amendment, alteration or repeal. To the extent that a change in the Code, whether by statute or judicial decision, permits greater indemnification or advancement of Expenses than would be afforded currently under the Company's Certificate of Incorporation, Bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, by Indemnitee shall not prevent the concurrent assertion or employment of any other right or remedy by Indemnitee.

12. Term. This Agreement shall continue until and terminate upon the later of: (a) ten (10) years after the date that Indemnitee shall have ceased to serve as an Agent; or (b) one (1) year after the final termination of any proceeding, including any appeal then pending, in respect to which Indemnitee was granted rights of indemnification or advancement of Expenses hereunder.

13. Other Rights to Indemnification or Advancement; Subrogation.

(a) The Company hereby acknowledges that Indemnitee may have certain rights to indemnification, advancement of Expenses and/or insurance provided by one or more other Persons, other than an Enterprise, with whom or which Indemnitee may be associated (including, without limitation, [_____], (the "**Associated Party**")). The relationship between the Company and such other Persons with respect to the Indemnitee's rights to indemnification, advancement of Expenses, and insurance is described by this subsection, subject to the provisions of subsection (b) of this Section 13 with respect to a proceeding concerning Indemnitee's status with an Enterprise.

(i) The Company hereby acknowledges and agrees:

(1) the Company is the indemnitor of first resort with respect to any request for indemnification or advancement of Expenses made pursuant to this Agreement concerning any proceeding;

(2) the Company is primarily liable for all indemnification and indemnification or advancement of Expenses obligations for any Proceeding, whether created by law, organizational or constituent documents, contract (including this Agreement) or otherwise;

(3) any obligation of any other Persons with whom or which Indemnitee may be associated (including, without limitation, the Associated Party) to indemnify Indemnitee and/or advance Expenses to Indemnitee in respect of any proceeding are secondary to the obligations of the Company's obligations;

(4) the Company will indemnify Indemnitee and advance Expenses to Indemnitee hereunder to the fullest extent provided herein without regard to any rights Indemnitee may have against any other Person with whom or which Indemnitee may be associated (including, the Associated Party) or insurer of any such Person; and

(ii) the Company irrevocably waives, relinquishes and releases (A) any other Person with whom or which Indemnitee may be associated (including, without limitation, the Associated Party) from any claim of contribution, subrogation, reimbursement, exoneration or indemnification, or any other recovery of any kind in respect of amounts paid by the Company to Indemnitee pursuant to this Agreement and (B) any right to participate in any claim or remedy of Indemnitee against any Person (including, without limitation, the Associated Party), whether or not such claim, remedy or right arises in equity or under contract, statute or common law, including, without limitation, the right to take or receive from any Person (including, without limitation, the Associated Party), directly or indirectly, in cash or other property or by set-off or in any other manner, payment or security on account of such claim, remedy or right.

(iii) In the event any other Person with whom or which Indemnitee may be associated (including, without limitation, the Associated Party) or their insurers advances or extinguishes any liability or loss for Indemnitee, the payor has a right of subrogation against the Company or its insurers for all amounts so paid which would otherwise be payable by the Company or its insurers under this Agreement. In no event will payment by any other Person with whom or which Indemnitee may be associated (including, without limitation, the Associated Party) or their insurers affect the obligations of the Company hereunder or shift primary liability for the Company's obligation to indemnify or advance of Expenses to any other Person with whom or which Indemnitee may be associated (including, without limitation, the Associated Party).

(iv) Any indemnification or advancement of Expenses provided by any other Person with whom or which Indemnitee may be associated (including, without limitation, the Associated Party) is specifically in excess over the Company's obligation to indemnify and advance Expenses or any valid and collectible insurance (including but not limited to any malpractice insurance or professional errors and omissions insurance) provided by the Company.

(b) The Company's obligation to indemnify or advance Expenses hereunder to Indemnitee for any proceeding concerning Indemnitee's status with an Enterprise will be reduced by any amount Indemnitee has actually received as indemnification or advancement of Expenses from such Enterprise. The Company and Indemnitee intend that any such Enterprise (and its insurers) be the indemnitor of first resort with respect to indemnification and advancement of Expenses for any proceeding related to or arising from Indemnitee's status with such Enterprise. The Company's obligation to indemnify and advance Expenses to Indemnitee is secondary to the obligations the Enterprise or its insurers owe to Indemnitee. Indemnitee agrees to take all reasonably necessary and desirable action to obtain from an Enterprise indemnification and advancement of Expenses for any Proceeding related to or arising from Indemnitee's corporate status with such Enterprise.

(c) In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee from any insurance carrier or Enterprise. Indemnitee shall, at the request and expense of the Company, execute all papers required and shall do everything that may be reasonably necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

14. Interpretation of Agreement. It is understood that the parties hereto intend this Agreement to be interpreted and enforced so as to provide indemnification and advancement of Expenses to Indemnitee to the fullest extent now or hereafter permitted by law.

15. Severability. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever, (a) the validity, legality and enforceability of the remaining provisions of the Agreement (including without limitation, all portions of any paragraphs of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (b) to the fullest extent possible, the provisions of this Agreement (including, without limitation, all portions of any paragraph of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable and to give effect to Section 14 hereof.

16. Amendment and Waiver. No supplement, modification, amendment, or cancellation of this Agreement shall be binding unless executed in writing by the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

17. Notice. Except as otherwise provided herein, any notice or demand which, by the provisions hereof, is required or which may be given to or served upon the parties hereto shall be in writing and, if by electronic transmission, shall be deemed to have been validly served, given or delivered when sent, if by overnight delivery, courier or personal delivery, shall be deemed to have been validly served, given or delivered upon actual delivery and, if mailed, shall be deemed to have been validly served, given or delivered three (3) business days after deposit in the United States mail, as registered or certified mail, with proper postage prepaid and addressed to the party or parties to be notified at the addresses set forth on the signature page of this Agreement (or such other address(es) as a party may designate for itself by like notice). If to the Company, notices and demands shall be delivered to the attention of the Secretary of the Company.

18. Governing Law. This Agreement shall be governed exclusively by and construed according to the laws of the State of Delaware, as applied to contracts between Delaware residents entered into and to be performed entirely within Delaware.

19. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute but one and the same Agreement. Only one such counterpart need be produced to evidence the existence of this Agreement.

20. Headings. The headings of the sections of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction hereof.

21. Entire Agreement. Subject to Section 11 hereof, this Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings and negotiations, written and oral, between the parties with respect to the subject matter of this Agreement; provided, however, that this Agreement is a supplement to and in furtherance of the Company's Certificate of Incorporation, Bylaws, the Code and any other applicable law, and shall not be deemed a substitute therefor, and does not diminish or abrogate any rights of Indemnitee thereunder.

22. Contribution. To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement and/or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the event(s) and/or transaction(s) giving cause to such proceeding; and/or (ii) the relative fault of the Company and Indemnitee in connection with such event(s) and/or transaction(s).

23. Consent to Jurisdiction. This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules. The Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Chancery Court of the State of Delaware (the "**Delaware Court**"), and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Delaware Court for purposes of any action or proceeding arising out of or in

connection with this Agreement, (iii) agree to appoint, to the extent such party is not otherwise subject to service of process in the State of Delaware, an agent in the State of Delaware as such party's agent for acceptance of legal process in connection with any such action or proceeding against such party with the same legal force and validity as if served upon such party personally within the State of Delaware, (iv) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court, and (v) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court has been brought in an improper or inconvenient forum.

[Signature Page to Follow]

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement effective as of the date first above written.

RANI THERAPEUTICS HOLDINGS, INC.

By: _____
SVAI SANFORD
Chief Financial Officer

INDEMNITEE

_____
Signature of Indemnitee

_____
Print or Type Name of Indemnitee

RANI THERAPEUTICS, LLC

2016 EQUITY INCENTIVE PLAN

1. Purposes of the Plan. The purposes of this Equity Incentive Plan is to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to Managers, Consultants and other individuals who provide services to or for the benefit of the Company, as determined by the Administrator, and to promote the success of the Company's business. The Plan permits the grant of Options, Profits Interests and Restricted Common Units.

2. Definitions. As used herein, the following definitions will apply:

(a) "Administrator" means the Board or any of its Committees as will be administering the Plan, in accordance with Section 4 hereof.

(b) "Applicable Laws" means the requirements relating to the administration of equity-based awards under U.S. state corporate laws, U.S. federal and state securities laws, the Code, and the applicable laws of any foreign country or jurisdiction where Awards are granted under the Plan.

(c) "Award" means, individually or collectively, a grant under the Plan of Options, Profits Interests or Restricted Common Units.

(d) "Award Agreement" a written or electronic agreement setting forth the terms and provisions applicable to each Award granted under the Plan. The Award Agreement is subject to the terms and conditions of the Plan.

(e) "Board" means the Board of Managers of the Company, as specified in the Operating Agreement.

(f) "Code" means the Internal Revenue Code of 1986, as amended. Any reference to a Section of the Code herein will be a reference to any successor or amended Section of the Code.

(g) "Committee" means a committee appointed by the Board in accordance with Section 4 hereof.

(h) "Common Unit" means a Common Unit (as defined in the Operating Agreement) in the Company, or in the event of a Trigger Event, means a share of common stock of the resulting corporation.

(i) "Company" means Rani Therapeutics, LLC, a California limited liability company.

(j) "Consultant" means any person who is engaged by the Company or a Subsidiary to render consulting or advisory services.

(k) "Disability" means total and permanent disability as defined in Section 22(e)(3) of the Code.

(l) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(m) "Exchange Program" means a program under which (i) outstanding Options are surrendered or cancelled in exchange for Options (which may have lower or higher exercise prices and different terms), awards of a different type, and/or cash, (ii) Optionees would have the opportunity to transfer any outstanding Options to a financial institution or other person or entity selected by the Administrator, and/or (iii) the exercise price of an outstanding Option is reduced or increased. The Administrator will determine the terms and conditions of any Exchange Program in its sole discretion.

(n) "Fair Market Value" means, as of any date, the value of Units determined in good faith by the Administrator.

(o) "Manager" will have the same meaning as defined in the Operating Agreement.

(p) "Member" will have the same meaning as defined in the Operating Agreement.

(q) "Operating Agreement" means the Second Amended and Restated Limited Liability Company Agreement of the Company, effective as of May 21, 2015, as amended from time to time. Any reference to a Section of the Operating Agreement herein will be a reference to any successor or amended Section of the Operating Agreement.

(r) "Option" means an option to purchase Common Units granted pursuant to the Plan.

(s) "Option Agreement" means a written or electronic agreement between the Company and a Participant evidencing the terms and conditions of an individual Option grant. The Option Agreement is subject to the terms and conditions of the Plan.

(t) "Parent" means any entity in an unbroken chain of entities ending with the Company, if each of the entities other than the Company owns shares, or ownership interests possessing 50% or more of the total combined voting power of all classes of shares or ownership interests in one of the other entities in such chain.

(u) "Participant" means the holder of an outstanding Award.

(v) "Person" will have the same meaning as defined in the Operating Agreement.

(w) "Plan" means this 2016 Equity Incentive Plan.

(x) "Profits Interests" means a grant of Common Units pursuant to the Plan with a Profits Interest Threshold Amount fixed on the date of issuance in accordance with the Operating Agreement that is intended to qualify as a partnership profits interest for U.S. Federal Income tax purposes.

(y) "Profits Interest Threshold Amount" has the meaning set forth in the Operating Agreement.

(z) "Restricted Common Unit" means a grant of a Common Unit issued pursuant to a Restricted Unit Award Agreement pursuant to the Plan.

(aa) "Restricted Unit Award Agreement" means a written or electronic agreement between the Company and a Participant evidencing the terms and conditions of an individual Restricted Unit. The Restricted Unit Award Agreement is subject to the terms and conditions of the Plan.

(bb) "Section 409A" means Section 409A of the Code, and the final regulations and any other guidance issued thereunder or any state law equivalent.

(cc) "Securities Act" means the Securities Act of 1933, as amended.

(dd) "Service Provider" means a Manager, Consultant or other individual who, in the discretion of the Board, provides services to the Company (or indirectly through another Person, for the benefit of the Company), in such Person's capacity as such.

(ee) "Subsidiary" means any entity in an unbroken chain of entities beginning with the Company, if each of the entities other than the last entity in the chain owns shares or ownership interests possessing 50% or more of the total combined voting power of all classes of shares or ownership interests in one of the other entities in such chain.

(ff) "Trigger Event" means the consummation of the conversion of the Company or its business into a corporation.

(gg) "Unit" means a Common Unit or share of the Company into which a Common Unit has been converted, as adjusted in accordance with Section 13 below.

3. Units Subject to the Plan. Subject to the provisions of Section 13 of the Plan, the maximum aggregate number of Units that may be subject to Awards and sold under the Plan is 10,850,000 Units. The Units may be authorized, but unissued, or reacquired Common Units. The Company, during the term of this Plan, will at all times reserve and keep available such number of Units as will be sufficient to satisfy the requirements of the Plan.

If an Award expires or becomes unexercisable without having been exercised in full, or is surrendered pursuant to an Exchange Program, the unpurchased Units which were subject thereto will become available for future grant or sale under the Plan (unless the Plan has terminated); provided, however, that Units that have actually been issued under the Plan will not be returned to the Plan and will not become available for future distribution under the Plan, except that if unvested Units are repurchased by the Company or are forfeited to the Company due to the failure to vest, such Units will become available for future grant under the Plan.

4. Administration of the Plan.

(a) Procedure. The Board or a Committee appointed by the Board will administer the Plan. Any such Committee will be constituted to comply with Applicable Laws and the Operating Agreement.

(b) Powers of the Administrator. Subject to the provisions of the Plan and, in the case of a Committee, the specific duties delegated by the Board to such Committee, and subject to the Operating Agreement and the approval of any relevant authorities, the Administrator will have the authority, in its discretion:

(i) to determine the Fair Market Value;

(ii) to select the Service Providers and such other individuals to whom Awards may from time to time be granted hereunder;

(iii) to determine the number of Units to be covered by each such Award granted hereunder;

(iv) to approve forms of Award Agreement for use under the Plan;

(v) to determine the terms and conditions of any Award granted hereunder. Such terms and conditions include, but are not limited to, the exercise price, the time or times when Options may be exercised (which may be based on performance criteria), any vesting acceleration or waiver of forfeiture restrictions, and any restriction or limitation regarding any Award or the Units relating thereto, based in each case on such factors as the Administrator will determine;

(vi) to institute an Exchange Program;

(vii) to prescribe, amend and rescind rules and regulations relating to the Plan, including rules and regulations relating to sub-plans established for the purpose of satisfying applicable foreign laws;

(viii) to construe and interpret the terms of the Plan and Awards granted under the Plan;

(ix) to modify or amend each Award (subject to Section 18(c) of the Plan), including the discretionary authority to extend the post-termination exercisability period of Options and the maximum term Options (subject to Section 6(a) of the Plan);

(x) to authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Option previously granted by the Administrator; and

(xi) to make all other determinations deemed necessary or advisable for administering the Plan.

(c) Effect of Administrator's Decision. All decisions, determinations and interpretations of the Administrator will be final and binding on all Participants and will be made in conformity in all respects with the Operating Agreement.

5. Eligibility. Awards may be granted to Service Providers as the Administrator may determine.

6. Options.

(a) Term of Option. The term of each Option will be stated in the Option Agreement; provided, however, that the term will be no more than ten (10) years from the date of grant thereof.

(b) Option Exercise Price and Consideration.

(i) The Administrator will determine the per unit exercise price for the Units to be issued pursuant to exercise of an Option, provided, however, that the per Unit exercise price will be no less than one hundred percent (100%) of the Fair Market Value per Unit on the date of grant.

(ii) The Administrator will determine the acceptable form of consideration for exercising an Option, including the method of payment. Such consideration may consist entirely of: (1) cash; (2) check; (3) other Units, provided that such Units have a Fair Market Value on the date of surrender equal to the aggregate exercise price of the Units as to which such Option will be exercised and provided further that accepting such Units will not result in any adverse accounting consequences to the Company, as the Administrator determines in its sole discretion; (4) consideration received by the Company under cashless exercise program (whether through a broker or otherwise) implemented by the Company in connection with the Plan; (5) such other consideration and method of payment for the issuance of Units to the extent permitted by Applicable Laws, or (6) any combination of the foregoing methods of payment. In making its determination as to the type of consideration to accept, the Administrator will consider if acceptance of such consideration may be reasonably expected to benefit the Company.

(c) Exercise of Option.

(i) Procedure for Exercise; Rights as a Member. Any Option granted hereunder will be exercisable according to the terms of the Plan and at such times and under such conditions as determined by the Administrator and set forth in the Option Agreement. An Option may not be exercised for a fraction of a Unit.

An Option will be deemed exercised when the Company receives: (i) written or electronic notice of exercise (in accordance with the Option Agreement) from the person entitled to exercise the Option, and (ii) full payment for the Units with respect to which the Option is exercised (together with any applicable withholding taxes that may arise upon such exercise). Full payment may consist of any consideration and method of payment authorized by the Administrator and permitted by the Option Agreement and the Plan. Units issued upon exercise of an Option will be issued in the name of the Participant or, if requested by the Optionee, in the name of the Participant and his or her spouse. Until the Units are issued (as evidenced by the appropriate entry

on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive allocations of profits or losses or any other rights as a Member will exist with respect to the Units, notwithstanding the exercise of the Option. The Company will issue (or cause to be issued) such Units promptly after the Option is exercised. No adjustment will be made for an allocation of profit or loss or other right for which the record date is prior to the date the Units are issued, except as provided in Section 12 of the Plan. A Participant will only be entitled to prospective allocations of profit or loss upon issuance of Units pursuant to an Option exercise.

Exercise of an Option in any manner will result in a decrease in the number of Units thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Units as to which the Option is exercised.

(ii) Termination of Relationship as a Service Provider. If a Participant ceases to be a Service Provider, other than upon termination as the result of the Participant's death or Disability, such Participant may exercise his or her Option within thirty (30) days of termination, or such longer period of time as specified in the Option Agreement, to the extent that the Option is vested on the date of termination (but in no event later than the expiration of the term of the Option as set forth in the Option Agreement). Unless the Administrator provides otherwise, if on the date of termination the Participant is not vested as to his or her entire Option, the Units covered by the unvested portion of the Option will revert to the Plan. If, after termination, the Participant does not exercise his or her Option within the time specified by the Administrator, the Option will terminate, and the Units covered by such Option will revert to the Plan.

(iii) Disability of Participant. If a Participant ceases to be a Service Provider as a result of the Participant's Disability, the Participant may exercise his or her Option within six (6) months of termination, or such longer period of time as specified in the Option Agreement, to the extent the Option is vested on the date of termination (but in no event later than the expiration of the term of such Option as set forth in the Option Agreement). Unless the Administrator provides otherwise, if on the date of termination the Participant is not vested as to his or her entire Option, the Units covered by the unvested portion of the Option will revert to the Plan. If, after termination, the Participant does not exercise his or her Option within the time specified herein, the Option will terminate, and the Units covered by such Option will revert to the Plan.

(iv) Death of Participant. If a Participant dies while a Service Provider, the Option may be exercised within six (6) months following the Participant's death, or such longer period of time as specified in the Option Agreement, to the extent that the Option is vested on the date of death (but in no event later than the expiration of the term of such Option as set forth in the Option Agreement) by the Participant's designated beneficiary, provided such beneficiary has been designated prior to the Participant's death in a form acceptable to the Administrator. If no such beneficiary has been designated, then such Option may be exercised by the personal representative of the Participant's estate or by the person(s) to whom the Option is transferred pursuant to the Participant's will or in accordance with the laws of descent and distribution. If, at the time of death, the Participant is not vested as to his or her entire Option, the Units covered by the unvested portion of the Option will immediately revert to the Plan. If the Option is not so exercised within the time specified herein, the Option will terminate, and the Units covered by such Option will revert to the Plan.

7. Profits Interests.

(a) Profits Interest Agreement. Subject to the terms of the Plan and the Operating Agreement, the Administrator may grant Profits Interests in such amounts as the Administrator, in its sole discretion, will determine. Each Profits Interest grant will be evidenced by a Profits Interest Agreement that will specify the number of Units that are being granted as Profits Interests, the Profits Interest Threshold Amount, the vesting schedule, if any, applicable to the Profits Interest grant, and such other terms and conditions as the Administrator, in its sole discretion, will determine.

(b) Forfeiture. If a Participant's status as a Service Provider is terminated for any reason by the Participant or the Company before the Profits Interests have vested, unless otherwise determined by the Administrator or unless otherwise provided in the Profits Interest Agreement, the Participant will forfeit all non-vested Profits Interests to the Company for no consideration without further action by the Company.

(c) Rights as a Member. Each Participant granted a Profits Interest Award shall agree to be bound by and comply with the terms of the Operating Agreement.

(d) Payment. Unless otherwise determined by the Administrator, no amount shall be paid to the Company for the grant of Profits Interests.

8. Restricted Common Units.

(a) Grant. Restricted Common Units may be granted at any time and from time to time as determined by the Administrator. After the Administrator determines that it will grant Restricted Common Units, it will advise the Participant in a Restricted Unit Award Agreement of the terms, conditions, and restrictions related to the grant, including the number of Restricted Common Units.

(b) Vesting Criteria and Other Terms. Restricted Common Units may be granted fully vested or may be subject to vesting criteria established by the Administrator in its discretion, which, depending on the extent to which the criteria are met, will determine the number of Restricted Common Units that will be paid out to the Participant. The Administrator may set vesting criteria based upon the achievement of Company-wide, business unit, or individual goals (including, but not limited to, continued employment or service), or any other basis determined by the Administrator in its discretion.

(c) Earning Restricted Common Units. Upon meeting the applicable vesting criteria, the Participant will be entitled to receive a payout as determined by the Administrator. Notwithstanding the foregoing, at any time after the grant of Restricted Common Units, the Administrator, in its sole discretion, may reduce or waive any vesting criteria that must be met to receive a payout.

(d) Form and Timing of Payment. Payment of earned Restricted Common Units will be made as soon as practicable after the date(s) determined by the Administrator and set forth in the Award Agreement. Restricted Common Units will be settled through the issuance of Units.

(e) Cancellation. On the date set forth in the Award Agreement, all unearned Restricted Common Units will be forfeited to the Company.

9. Compliance With Code Section 409A. Awards will be designed and operated in such a manner that they are either exempt from the application of, or comply with, the requirements of Code Section 409A, except as otherwise determined in the sole discretion of the Administrator. The Plan and each Award Agreement under the Plan is intended to meet the requirements of Code Section 409A and will be construed and interpreted in accordance with such intent, except as otherwise determined in the sole discretion of the Administrator. To the extent that an Award or payment, or the settlement or deferral thereof, is subject to Code Section 409A, the Award will be granted, paid, settled or deferred in a manner that will meet the requirements of Code Section 409A, such that the grant, payment, settlement or deferral will not be subject to the additional tax or interest applicable under Code Section 409A.

10. Leaves of Absence/Transfer Between Locations. Unless the Administrator provides otherwise, vesting of Awards granted hereunder will be suspended during any unpaid leave of absence. A Service Provider will not terminate service in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company or between the Company, its Parent, or any Subsidiary.

11. Limited Transferability of Awards. Unless determined otherwise by the Administrator, Awards may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or the laws of descent and distribution, and may be exercised during the lifetime of the Participant, only by the Participant. If the Administrator in its sole discretion makes an Award transferable, such Award may only be transferred (i) by will, (ii) by the laws of descent and distribution, or (iii) as permitted by Rule 701 of the Securities Act.

12. Trigger Event. Subject to the provisions of the merger, reorganization or other agreement setting forth the terms of a direct exchange, merger or other reorganization transaction, upon a Trigger Event, all Awards granted under the Plan will be exchanged for or converted into, in such transaction, options to acquire shares of the resulting corporation's common stock of which the base amount on which compensation is measured is determined by reference to the value of the resulting corporation's common stock with terms substantially equivalent to the terms of the options, as the case may be, they are intended to replace.

13. Adjustments; Liquidity Event.

(a) Adjustments. Subject to any required action by the Members of the Company, in the event of any split, reverse split, dividend, recapitalization, combination, reclassification, reorganization, merger, consolidation, split-up, spin-off, repurchase, exchange of Units or other securities of the Company, other distribution of Units or other securities of the Company without the receipt of consideration by the Company, or other change in the corporate structure of the Company affecting the Units occurs, the Administrator, in order to prevent diminution or enlargement of the benefits or potential benefits intended to be made available under the Plan, will adjust the number and class of Units that may be delivered under the Plan and/or the number, class, and price of Units covered by each outstanding Award; provided, however, that the Administrator will make adjustments to an Award required by Section 25102(o) of the California Corporations Code to the extent the Company is relying upon the exemption afforded thereby with respect to an Award.

(b) Merger or Liquidation Event. In the event that the Company is subject to a merger or Liquidation Event, outstanding Awards shall be subject to the agreement governing the merger or Liquidation Event and the Operating Agreement. The agreement governing the merger or Liquidity Event shall provide for one or more of the following:

(c) The continuation of such outstanding Awards by the Company (if the Company is the surviving corporation).

(d) The assumption, or substitution of substantially equivalent Awards, by the acquiring or succeeding corporation (or an affiliate thereof) with appropriate adjustments to the number and kind of equity interests and prices, with appropriate reduction to the Common Unit exchange ratio applicable to Profits Interests to reflect the applicable Profits Interest Threshold Amounts.

(e) The full or partial vesting of unvested Awards, or the full or partial cancellation of unvested Awards without consideration, in each case upon on the closing of the merger or Liquidation Event.

(f) The cancellation or redemption of outstanding Awards in exchange for a payment, if any, equal to the amount that would have been attained upon the exercise of such Award or realization of the Participant rights as of the date of the occurrence of the transaction. Such payment may be made in the form of cash, cash equivalents, or securities of the surviving entity or its parent with a fair market value equal to the amount distributable or deemed distributable in the merger or Liquidity Event. Such payment may be subject to vesting based on the Participant's continuing service, provided that the vesting schedule shall not be less favorable to the Participant than the schedule under which such Award would have vested. If no amounts would be distributable to such Award holder and/or if such Award is unvested, then such Award may be cancelled without making a payment to the Participant.

(g) Amounts of cash or other consideration from a sale of assets of the Company or a Subsidiary constituting a Liquidity Event otherwise distributable to a Common Unit holder shall be reduced by the Profits Interest Threshold Amount attributable to each such Profits Interest receiving such distribution.

14. Tax Withholding.

(a) Withholding Requirements. Prior to the delivery of any Units or cash pursuant to an Award (or exercise thereof), the Company will have the power and the right to deduct or withhold, or require a Participant to remit to the Company, an amount sufficient to satisfy federal, state, local, foreign or other taxes (including the Participant's FICA obligation) required to be withheld with respect to such Award (or exercise thereof).

(b) Withholding Arrangements. The Administrator, in its sole discretion and pursuant to such procedures as it may specify from time to time, may permit a Participant to satisfy such tax withholding obligation, in whole or in part by (without limitation) (i) paying cash,

(ii) electing to have the Company withhold otherwise deliverable Units having a Fair Market Value equal to the minimum statutory amount required to be withheld, (iii) delivering to the Company already-owned Units having a Fair Market Value equal to the statutory amount required to be withheld, provided the delivery of such Units will not result in any adverse accounting consequences, as the Administrator determines in its sole discretion, or (iv) selling a sufficient number of Units otherwise deliverable to the Participant through such means as the Administrator may determine in its sole discretion (whether through a broker or otherwise) equal to the amount required to be withheld. The amount of the withholding requirement will be deemed to include any amount which the Administrator agrees may be withheld at the time the election is made, not to exceed the amount determined by using the maximum federal, state or local marginal income tax rates applicable to the Participant with respect to the Award on the date that the amount of tax to be withheld is to be determined. The Fair Market Value of the Units to be withheld or delivered will be determined as of the date that the taxes are required to be withheld.

15. No Effect on Employment or Service. Neither the Plan nor any Award will confer upon a Participant any right with respect to continuing the Participant's relationship as a Service Provider, nor interfere in any way with the Participant's or the Company's right to terminate such relationship at any time, with or without cause, to the extent permitted by Applicable Laws.

16. Date of Grant. The date of grant of an Award will, for all purposes, be the date on which the Administrator makes the determination granting such Award, or such later date as the Administrator may determine. Notice of the determination will be provided to each Service Provider to whom an Award is so granted within a reasonable time after the date of such grant.

17. Term of Plan. The Plan will become effective upon its adoption by the Board. Unless sooner terminated under Section 18, it will continue in effect for a term of ten (10) years from the later of (a) the effective date of the Plan, or (b) the earlier of the most recent Board or Member approval of an increase in the number of Units reserved for issuance under the Plan.

18. Amendment and Termination of the Plan.

(a) Amendment and Termination. The Administrator may at any time amend, alter, suspend or terminate the Plan.

(b) Member Approval. The Company will obtain Member approval of any Plan amendment to the extent necessary and desirable to comply with the Operating Agreement and Applicable Laws.

(c) Effect of Amendment or Termination. No amendment, alteration, suspension or termination of the Plan will impair the rights of any Participant, unless mutually agreed otherwise between the Participant and the Administrator, which agreement must be in writing and signed by the Participant and the Company. Termination of the Plan will not affect the Administrator's ability to exercise the powers granted to it hereunder with respect to Awards granted under the Plan prior to the date of such termination.

19. Conditions Upon Issuance of Units.

(a) Legal Compliance. Units will not be issued pursuant to the exercise of an Award unless the exercise of such Award and the issuance and delivery of such Units will comply with Applicable Laws and will be further subject to the approval of counsel for the Company with respect to such compliance.

(b) Investment Representations. As a condition to the exercise of an Award, the Company may require the person exercising such Award to represent and warrant at the time of any such exercise that the Units are being purchased only for investment and without any present intention to sell or distribute such Units if, in the opinion of counsel for the Company, such a representation is required.

20. Inability to Obtain Authority. The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Units hereunder, will relieve the Company of any liability in respect of the failure to issue or sell such Units as to which such requisite authority will not have been obtained.

21. Member Approval. The Plan will be subject to approval by the Members of the Company within twelve (12) months after the date the Plan is adopted by the Board. Such Member approval will be obtained in the manner and to the degree required under Applicable Laws.

RANI THERAPEUTICS HOLDINGS, INC.
2021 EQUITY INCENTIVE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: [ ], 2021
APPROVED BY THE STOCKHOLDERS: [ ], 2021

1. GENERAL.

(a) Plan Purpose. The Company, by means of the Plan, seeks to secure and retain the services of Employees, Directors and Consultants, to provide incentives for such persons to exert maximum efforts for the success of the Company and any Affiliate and to provide a means by which such persons may be given an opportunity to benefit from increases in value of the Common Stock through the granting of Awards.

(b) Available Awards. The Plan provides for the grant of the following Awards: (i) Incentive Stock Options; (ii) Nonstatutory Stock Options; (iii) SARs; (iv) Restricted Stock Awards; (v) RSU Awards; (vi) Performance Awards; and (vii) Other Awards.

(c) Adoption Date; Effective Date. The Plan will come into existence on the Adoption Date, but no Award may be granted prior to the Effective Date.

2. SHARES SUBJECT TO THE PLAN.

(a) Share Reserve. Subject to adjustment in accordance with Section 2(c) and any adjustments as necessary to implement any Capitalization Adjustments, the aggregate number of shares of Common Stock that may be issued pursuant to Awards will not exceed [•] shares. In addition, subject to any adjustments as necessary to implement any Capitalization Adjustments, such aggregate number of shares of Common Stock will automatically increase on January 1 of each year for a period of ten years commencing on January 1, 2022 and ending on (and including) January 1, 2031, in an amount equal to [•] percent ([•]%) of the total number of shares of Combined Common Stock outstanding on December 31 of the preceding year; provided, however, that the Board may act prior to January 1st of a given year to provide that the increase for such year will be a lesser number of shares of Common Stock.

(b) Aggregate Incentive Stock Option Limit. Notwithstanding anything to the contrary in Section 2(a) and subject to any adjustments as necessary to implement any Capitalization Adjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options is [•] shares.

(c) Share Reserve Operation.

(i) Limit Applies to Common Stock Issued Pursuant to Awards. For clarity, the Share Reserve is a limit on the number of shares of Common Stock that may be issued pursuant to Awards and does not limit the granting of Awards, except that the Company will keep available at all times the number of shares of Common Stock reasonably required to satisfy its obligations to issue shares pursuant to such Awards. Shares may be issued in connection with a merger or acquisition as permitted by, as applicable, Nasdaq Listing Rule 5635(c), NYSE Listed Company Manual Section 303A.08, NYSE American Company Guide Section 711 or other applicable rule, and such issuance will not reduce the number of shares available for issuance under the Plan.

(ii) Actions that Do Not Constitute Issuance of Common Stock and Do Not Reduce Share Reserve. The following actions do not result in an issuance of shares under the Plan and accordingly do not reduce the number of shares subject to the Share Reserve and available for issuance under the Plan: (1) the expiration or termination of any portion of an Award without the shares covered by such portion of the Award having been issued; (2) the settlement of any portion of an Award in cash (*i.e.*, the Participant receives cash rather than Common Stock); (3) the withholding of shares that would otherwise be issued by the Company to satisfy the exercise, strike or purchase price of an Award; or (4) the withholding of shares that would otherwise be issued by the Company to satisfy a tax withholding obligation in connection with an Award.

(iii) Reversion of Previously Issued Shares of Common Stock to Share Reserve. The following shares of Common Stock previously issued pursuant to an Award and accordingly initially deducted from the Share Reserve will be added back to the Share Reserve and again become available for issuance under the Plan: (1) any shares that are forfeited back to or repurchased by the Company because of a failure to meet a contingency or condition required for the vesting of such shares; (2) any shares that are reacquired by the Company to satisfy the exercise, strike or purchase price of an Award; and (3) any shares that are reacquired by the Company to satisfy a tax withholding obligation in connection with an Award.

3. ELIGIBILITY AND LIMITATIONS.

(a) Eligible Award Recipients. Subject to the terms of the Plan, Employees, Directors and Consultants are eligible to receive Awards.

(b) Specific Award Limitations.

(i) Limitations on Incentive Stock Option Recipients. Incentive Stock Options may be granted only to Employees of the Company or a "parent corporation" or "subsidiary corporation" thereof (as such terms are defined in Sections 424(e) and (f) of the Code).

(ii) Incentive Stock Option $100,000 Limitation. To the extent that the aggregate Fair Market Value (determined at the time of grant) of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by any Optionholder during any calendar year (under all plans of the Company and any Affiliates) exceeds $100,000 (or such other limit established in the Code) or otherwise does not comply with the rules governing Incentive Stock Options, the Options or portions thereof that exceed such limit (according to the order in which they were granted) or otherwise do not comply with such rules will be treated as Nonstatutory Stock Options, notwithstanding any contrary provision of the applicable Option Agreement(s).

(iii) Limitations on Incentive Stock Options Granted to Ten Percent Stockholders. A Ten Percent Stockholder may not be granted an Incentive Stock Option unless (1) the exercise price of such Option is at least 110% of the Fair Market Value on the date of grant of such Option and (2) the Option is not exercisable after the expiration of five years from the date of grant of such Option.

(iv) Limitations on Nonstatutory Stock Options and SARs. Nonstatutory Stock Options and SARs may not be granted to Employees, Directors and Consultants unless the stock underlying such Awards is treated as "service recipient stock" under Section 409A or unless such Awards otherwise comply with the requirements of Section 409A.

(c) Aggregate Incentive Stock Option Limit. The aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options is the number of shares specified in Section 2(b).

(d) Non-Employee Director Compensation Limit. The aggregate value of all compensation granted or paid, as applicable, to any individual for service as a Non-Employee Director with respect to any calendar year, including Awards granted and cash fees paid by the Company to such Non-Employee Director, will not exceed (1) $[•] in total value or (2) in the event such Non-Employee Director is first appointed or elected to the Board during such calendar year, $[•] in total value, in each case, calculating the value of any equity awards based on the grant date fair value of such equity awards for financial reporting purposes. The limitations in this Section 3(d) shall apply commencing with the first calendar year that begins following the Effective Date.

4. OPTIONS AND STOCK APPRECIATION RIGHTS.

Each Option and SAR will have such terms and conditions as determined by the Board. Each Option will be designated in writing as an Incentive Stock Option or Nonstatutory Stock Option at the time of grant; provided, however, that if an Option is not so designated or if an Option designated as an Incentive Stock Option fails to qualify as an Incentive Stock Option, then such Option will be a Nonstatutory Stock Option, and the shares purchased upon exercise of each type of Option will be separately accounted for. Each SAR will be denominated in shares of Common Stock equivalents. The terms and conditions of separate Options and SARs need not be identical; provided, however, that each Option Agreement and SAR Agreement will conform (through incorporation of provisions hereof by reference in the Award Agreement or otherwise) to the substance of each of the following provisions:

(a) Term. Subject to Section 3(b) regarding Ten Percent Stockholders, no Option or SAR will be exercisable after the expiration of ten years from the date of grant of such Award or such shorter period specified in the Award Agreement.

(b) Exercise or Strike Price. Subject to Section 3(b) regarding Ten Percent Stockholders, the exercise or strike price of each Option or SAR will not be less than 100% of the Fair Market Value on the date of grant of such Award. Notwithstanding the foregoing, an Option or SAR may be granted with an exercise or strike price lower than 100% of the Fair Market Value on the date of grant of such Award if such Award is granted pursuant to an assumption of or substitution for another option or stock appreciation right pursuant to a Corporate Transaction and in a manner consistent with the provisions of Sections 409A and, if applicable, 424(a) of the Code.

(c) Exercise Procedure and Payment of Exercise Price for Options. In order to exercise an Option, the Participant must provide notice of exercise to the Plan Administrator in accordance with the procedures specified in the Option Agreement or otherwise provided by the Company. The Board has the authority to grant Options that do not permit all of the following methods of payment (or otherwise restrict the ability to use certain methods) and to grant Options that require the consent of the Company to utilize a particular method of payment. The exercise price of an Option may be paid, to the extent permitted by Applicable Law and as determined by the Board, by one or more of the following methods of payment to the extent set forth in the Option Agreement:

(i) by cash or check, bank draft or money order payable to the Company;

(ii) pursuant to a "cashless exercise" program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of the Common Stock subject to the Option, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the exercise price to the Company from the sales proceeds;

(iii) by delivery to the Company (either by actual delivery or attestation) of shares of Common Stock that are already owned by the Participant free and clear of any liens, claims, encumbrances or security interests, with a Fair Market Value on the date of exercise that does not exceed the exercise price, provided that (1) at the time of exercise the Common Stock is publicly traded, (2) any remaining balance of the exercise price not satisfied by such delivery is paid by the Participant in cash or other permitted form of payment, (3) such delivery would not violate any Applicable Law or agreement restricting the redemption of the Common Stock, (4) any certificated shares are endorsed or accompanied by an executed assignment separate from certificate, and (5) such shares have been held by the Participant for any minimum period necessary to avoid adverse accounting treatment as a result of such delivery;

(iv) if the Option is a Nonstatutory Stock Option, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issuable upon exercise by the largest whole number of shares with a Fair Market Value on the date of exercise that does not exceed the exercise price, provided that (1) such shares used to pay the exercise price will not be exercisable thereafter and (2) any remaining balance of the exercise price not satisfied by such net exercise is paid by the Participant in cash or other permitted form of payment; or

(v) in any other form of consideration that may be acceptable to the Board and permissible under Applicable Law.

(d) Exercise Procedure and Payment of Appreciation Distribution for SARs. In order to exercise any SAR, the Participant must provide notice of exercise to the Plan Administrator in accordance with the SAR Agreement. The appreciation distribution payable to a Participant upon the exercise of a SAR will not be greater than an amount equal to the excess of (i) the aggregate Fair Market Value on the date of exercise of a number of shares of Common Stock equal to the number of Common Stock equivalents that are vested and being exercised under such SAR, over (ii) the strike price of such SAR. Such appreciation distribution may be paid to the Participant in the form of Common Stock or cash (or any combination of Common Stock and cash) or in any other form of payment, as determined by the Board and specified in the SAR Agreement.

(e) Transferability. Options and SARs may not be transferred to third party financial institutions for value. The Board may impose such additional limitations on the transferability of an Option or SAR as it determines. In the absence of any such determination by the Board, the following restrictions on the transferability of Options and SARs will apply, provided that except as explicitly provided herein, neither an Option nor a SAR may be transferred for consideration and *provided*, *further*, that if an Option is an Incentive Stock Option, such Option may be deemed to be a Nonstatutory Stock Option as a result of such transfer:

(i) Restrictions on Transfer. An Option or SAR will not be transferable, except by will or by the laws of descent and distribution, and will be exercisable during the lifetime of the Participant only by the Participant; provided, however, that the Board may permit transfer of an Option or SAR in a manner that is not prohibited by applicable tax and securities laws upon the Participant's request, including to a trust if the Participant is considered to be the sole beneficial owner of such trust (as determined under Section 671 of the Code and applicable state law) while such Option or SAR is held in such trust, provided that the Participant and the trustee enter into a transfer and other agreements required by the Company.

(ii) Domestic Relations Orders. Notwithstanding the foregoing, subject to the execution of transfer documentation in a format acceptable to the Company and subject to the approval of the Board or a duly authorized Officer, an Option or SAR may be transferred pursuant to a domestic relations order.

(f) Vesting. The Board may impose such restrictions on or conditions to the vesting and/or exercisability of an Option or SAR as determined by the Board. Except as otherwise provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate, vesting of Options and SARs will cease upon termination of the Participant's Continuous Service.

(g) Termination of Continuous Service for Cause. Except as explicitly otherwise provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate, if a Participant's Continuous Service is terminated for Cause, the Participant's Options and SARs will terminate and be forfeited immediately upon such termination of Continuous Service, and the Participant will be prohibited from exercising any portion (including any vested portion) of such Awards on and after the date of such termination of Continuous Service and the Participant will have no further right, title or interest in such forfeited Award, the shares of Common Stock subject to the forfeited Award, or any consideration in respect of the forfeited Award.

(h) Post-Termination Exercise Period Following Termination of Continuous Service for Reasons Other than Cause. Subject to Section 4(i), if a Participant's Continuous Service terminates for any reason other than for Cause, the Participant may exercise his or her Option or SAR to the extent vested, but only within the following period of time or, if applicable, such other period of time provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate; provided, however, that in no event may such Award be exercised after the expiration of its maximum term (as set forth in Section 4(a)):

(i) three months following the date of such termination if such termination is a termination without Cause (other than any termination due to the Participant's Disability or death);

(ii) 12 months following the date of such termination if such termination is due to the Participant's Disability;

(iii) 18 months following the date of such termination if such termination is due to the Participant's death; or

(iv) 18 months following the date of the Participant's death if such death occurs following the date of such termination but during the period such Award is otherwise exercisable (as provided in (i) or (ii) above).

Following the date of such termination, to the extent the Participant does not exercise such Award within the applicable Post-Termination Exercise Period (or, if earlier, prior to the expiration of the maximum term of such Award), such unexercised portion of the Award will terminate, and the Participant will have no further right, title or interest in the terminated Award, the shares of Common Stock subject to the terminated Award, or any consideration in respect of the terminated Award.

(i) Restrictions on Exercise; Extension of Exercisability. A Participant may not exercise an Option or SAR at any time that the issuance of shares of Common Stock upon such exercise would violate Applicable Law. Except as otherwise provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate, if a Participant's Continuous Service terminates for any reason other than for Cause and, at any time during the last thirty days of the applicable Post-Termination Exercise Period: (i) the exercise of the Participant's Option or SAR would be prohibited solely because the issuance of shares of Common Stock upon such exercise would violate Applicable Law, or (ii) the immediate sale of any shares of Common Stock issued upon such exercise would violate the Company's Trading Policy, then the applicable Post-Termination Exercise Period will be extended to the last day of the calendar month that commences following the date the Award would otherwise expire, with an additional extension of the exercise period to the last day of the next calendar month to apply if any of the foregoing restrictions apply at any time during such extended exercise period, generally without limitation as to the maximum permitted number of extensions); provided, however, that in no event may such Award be exercised after the expiration of its maximum term (as set forth in Section 4(a)).

(j) Non-Exempt Employees. No Option or SAR, whether or not vested, granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, will be first exercisable for any shares of Common Stock until at least six months following the date of grant of such Award. Notwithstanding the foregoing, in accordance with the provisions of the Worker Economic Opportunity Act, any vested portion of such Award may be exercised earlier than six months following the date of grant of such Award in the event of (i) such Participant's death or Disability, (ii) a Corporate Transaction in which such Award is not assumed, continued or substituted, (iii) a Change in Control, or (iv) such Participant's retirement (as such term may be defined in the Award Agreement or another applicable agreement or, in the absence of any such definition, in accordance with the Company's then current employment policies and guidelines). This Section 4(j) is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay.

(k) Whole Shares. Options and SARs may be exercised only with respect to whole shares of Common Stock or their equivalents.

5. AWARDS OTHER THAN OPTIONS AND STOCK APPRECIATION RIGHTS.

(a) Restricted Stock Awards and RSU Awards. Each Restricted Stock Award and RSU Award will have such terms and conditions as determined by the Board; provided, however, that each Restricted Stock Award Agreement and RSU Award Agreement will conform (through incorporation of the provisions hereof by reference in the Award Agreement or otherwise) to the substance of each of the following provisions:

(i) Form of Award.

(1) Restricted Stock Awards: To the extent consistent with the Company's Bylaws, at the Board's election, shares of Common Stock subject to a Restricted Stock Award may be (A) held in book entry form subject to the Company's instructions until such shares become vested or any other restrictions lapse, or (B) evidenced by a certificate, which certificate will be held in such form and manner as determined by the Board. Unless otherwise determined by the Board, a Participant will have voting and other rights as a stockholder of the Company with respect to any shares subject to a Restricted Stock Award.

(2) RSU Awards: An RSU Award represents a Participant's right to be issued on a future date the number of shares of Common Stock that is equal to the number of restricted stock units subject to the RSU Award. As a holder of an RSU Award, a Participant is an unsecured creditor of the Company with respect to the Company's unfunded obligation, if any, to issue shares of Common Stock in settlement of such Award and nothing contained in the Plan or any RSU Agreement, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between a Participant and the Company or an Affiliate or any other person. A Participant will not have voting or any other rights as a stockholder of the Company with respect to any RSU Award (unless and until shares are actually issued in settlement of a vested RSU Award).

(ii) Consideration.

(1) Restricted Stock Awards: A Restricted Stock Award may be granted in consideration for (A) cash or check, bank draft or money order payable to the Company, (B) services to the Company or an Affiliate, or (C) any other form of consideration as the Board may determine and permissible under Applicable Law.

(2) RSU Awards: Unless otherwise determined by the Board at the time of grant, an RSU Award will be granted in consideration for the Participant's services to the Company or an Affiliate, such that the Participant will not be required to make any payment to the Company (other than such services) with respect to the grant or vesting of the RSU Award, or the issuance of any shares of Common Stock pursuant to the RSU Award. If, at the time of grant, the

Board determines that any consideration must be paid by the Participant (in a form other than the Participant's services to the Company or an Affiliate) upon the issuance of any shares of Common Stock in settlement of the RSU Award, such consideration may be paid in any form of consideration as the Board may determine and permissible under Applicable Law.

(iii) Vesting. The Board may impose such restrictions on or conditions to the vesting of a Restricted Stock Award or RSU Award as determined by the Board. Except as otherwise provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate, vesting of Restricted Stock Awards and RSU Awards will cease upon termination of the Participant's Continuous Service.

(iv) Termination of Continuous Service. Except as otherwise provided in the Award Agreement or other written agreement between a Participant and the Company or an Affiliate, if a Participant's Continuous Service terminates for any reason, (1) the Company may receive through a forfeiture condition or a repurchase right any or all of the shares of Common Stock held by the Participant under his or her Restricted Stock Award that have not vested as of the date of such termination as set forth in the Restricted Stock Award Agreement and the Participant will have no further right, title or interest in the Restricted Stock Award, the shares of Common Stock subject to the Restricted Stock Award, or any consideration in respect of the Restricted Stock Award and (2) any portion of his or her RSU Award that has not vested will be forfeited upon such termination and the Participant will have no further right, title or interest in the RSU Award, the shares of Common Stock issuable pursuant to the RSU Award, or any consideration in respect of the RSU Award.

(v) Dividends and Dividend Equivalents. Dividends or dividend equivalents may be paid or credited, as applicable, with respect to any shares of Common Stock subject to a Restricted Stock Award or RSU Award, as determined by the Board and specified in the Award Agreement.

(vi) Settlement of RSU Awards. An RSU Award may be settled by the issuance of shares of Common Stock or cash (or any combination thereof) or in any other form of payment, as determined by the Board and specified in the RSU Award Agreement. At the time of grant, the Board may determine to impose such restrictions or conditions that delay such delivery to a date following the vesting of the RSU Award.

(b) Performance Awards. With respect to any Performance Award, the length of any Performance Period, the Performance Goals to be achieved during the Performance Period, the other terms and conditions of such Award, and the measure of whether and to what degree such Performance Goals have been attained will be determined by the Board.

(c) Other Awards. Other forms of Awards valued in whole or in part by reference to, or otherwise based on, Common Stock, including the appreciation in value thereof, may be granted either alone or in addition to Awards provided for under Section 4 and the preceding provisions of this Section 5. Subject to the provisions of the Plan, the Board will have sole and complete discretion to determine the persons to whom and the time or times at which such Other Awards will be granted, the number of shares of Common Stock (or the cash equivalent thereof) to be granted pursuant to such Other Awards and all other terms and conditions of such Other Awards.

6. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; OTHER CORPORATE EVENTS.

(a) Capitalization Adjustments. In the event of a Capitalization Adjustment, the Board shall appropriately and proportionately adjust: (i) the class(es) and maximum number of shares of Common Stock subject to the Plan and the maximum number of shares by which the Share Reserve may annually increase pursuant to Section 2(a); (ii) the class(es) and maximum number of shares that may be issued pursuant to the exercise of Incentive Stock Options pursuant to Section 2(b); and (iii) the class(es) and number of securities and exercise price, strike price or purchase price of Common Stock subject to outstanding Awards. The Board shall make such adjustments, and its determination shall be final, binding and conclusive. Notwithstanding the foregoing, no fractional shares or rights for fractional shares of Common Stock shall be created in order to implement any Capitalization Adjustment. The Board shall determine an appropriate equivalent benefit, if any, for any fractional shares or rights to fractional shares that might be created by the adjustments referred to in the preceding provisions of this Section.

(b) Dissolution or Liquidation. Except as otherwise provided in the Award Agreement, in the event of a dissolution or liquidation of the Company, all outstanding Awards (other than Awards consisting of vested and outstanding shares of Common Stock not subject to a forfeiture condition or the Company's right of repurchase) will terminate immediately prior to the completion of such dissolution or liquidation, and the shares of Common Stock subject to the Company's repurchase rights or subject to a forfeiture condition may be repurchased or reacquired by the Company notwithstanding the fact that the holder of such Award is providing Continuous Service, provided, however, that the Board may determine to cause some or all Awards to become fully vested, exercisable and/or no longer subject to repurchase or forfeiture (to the extent such Awards have not previously expired or terminated) before the dissolution or liquidation is completed but contingent on its completion.

(c) Corporate Transaction. The following provisions will apply to Awards in the event of a Corporate Transaction except as set forth in Section 11 unless otherwise provided in the instrument evidencing the Award or any other written agreement between the Company or any Affiliate and the Participant or unless otherwise expressly provided by the Board at the time of grant of an Award.

(i) Awards May Be Assumed. In the event of a Corporate Transaction, any surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) may assume or continue any or all Awards outstanding under the Plan or may substitute similar awards for Awards outstanding under the Plan (including but not limited to, awards to acquire the same consideration paid to the stockholders of the Company pursuant to the Corporate Transaction), and any reacquisition or repurchase rights held by the Company in respect of Common Stock issued pursuant to Awards may be assigned by the Company to the successor of the Company (or the successor's parent company, if any), in connection with such Corporate Transaction. A surviving corporation or acquiring corporation (or its parent) may choose to assume or continue only a portion of an Award or substitute a similar award for only a portion of an Award, or may choose to assume or continue the Awards held by some, but not all Participants. The terms of any assumption, continuation or substitution will be set by the Board.

(ii) Awards Held by Current Participants. In the event of a Corporate Transaction in which the surviving corporation or acquiring corporation (or its parent company) does not assume or continue such outstanding Awards or substitute similar awards for such outstanding Awards, then with respect to Awards that have not been assumed, continued or substituted and that are held by Participants whose Continuous Service has not terminated prior to the effective time of the Corporate Transaction (referred to as the "***Current Participants***"), the vesting of such Awards (and, with respect to Options and Stock Appreciation Rights, the time when such Awards may be exercised) will be accelerated in full to a date prior to the effective time of such Corporate Transaction (contingent upon the effectiveness of the Corporate Transaction) as the Board determines (or, if the Board does not determine such a date, to the date that is five days prior to the effective time of the Corporate Transaction), and such Awards will terminate if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction, and any reacquisition or repurchase rights held by the Company with respect to such Awards will lapse (contingent upon the effectiveness of the Corporate Transaction). With respect to the vesting of Performance Awards that will accelerate upon the occurrence of a Corporate Transaction pursuant to this subsection (ii) and that have multiple vesting levels depending on the level of performance, unless otherwise provided in the Award Agreement, the vesting of such Performance Awards will accelerate at 100% of the target level upon the occurrence of the Corporate Transaction in which the Awards are not assumed, continued or substituted in accordance with Section 6(c)(i). With respect to the vesting of Awards that will accelerate upon the occurrence of a Corporate Transaction pursuant to this subsection (ii) and are settled in the form of a cash payment, such cash payment will be made no later than 30 days following the occurrence of the Corporate Transaction or such later date as required to comply with Section 409A of the Code.

(iii) Awards Held by Persons other than Current Participants. In the event of a Corporate Transaction in which the surviving corporation or acquiring corporation (or its parent company) does not assume or continue such outstanding Awards or substitute similar awards for such outstanding Awards, then with respect to Awards that have not been assumed, continued or substituted and that are held by persons other than Current Participants, such Awards will terminate if not exercised (if applicable) prior to the occurrence of the Corporate Transaction; provided, however, that any reacquisition or repurchase rights held by the Company with respect to such Awards will not terminate and may continue to be exercised notwithstanding the Corporate Transaction.

(iv) Payment for Awards in Lieu of Exercise. Notwithstanding the foregoing, in the event an Award will terminate if not exercised prior to the effective time of a Corporate Transaction, the Board may provide, in its sole discretion, that the holder of such Award may not exercise such Award but will receive a payment, in such form as may be determined by the Board, equal in value, at the effective time, to the excess, if any, of (1) the value of the property the Participant would have received upon the exercise of the Award (including, at the discretion of the Board, any unvested portion of such Award), over (2) any exercise price payable by such holder in connection with such exercise.

(d) Appointment of Stockholder Representative. As a condition to the receipt of an Award under this Plan, a Participant will be deemed to have agreed that the Award will be subject to the terms of any agreement governing a Corporate Transaction involving the Company, including, without limitation, a provision for the appointment of a stockholder representative that is authorized to act on the Participant's behalf with respect to any escrow, indemnities and any contingent consideration.

(e) No Restriction on Right to Undertake Transactions. The grant of any Award under the Plan and the issuance of shares pursuant to any Award does not affect or restrict in any way the right or power of the Company or the stockholders of the Company to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, any merger or consolidation of the Company, any issue of stock or of options, rights or options to purchase stock or of bonds, debentures, preferred or prior preference stocks whose rights are superior to or affect the Common Stock or the rights thereof or which are convertible into or exchangeable for Common Stock, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

7. ADMINISTRATION.

(a) Administration by Board. The Board will administer the Plan unless and until the Board delegates administration of the Plan to a Committee or Committees, as provided in subsection (c) below.

(b) Powers of Board. The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine from time to time (1) which of the persons eligible under the Plan will be granted Awards; (2) when and how each Award will be granted; (3) what type or combination of types of Award will be granted; (4) the provisions of each Award granted (which need not be identical), including the time or times when a person will be permitted to receive an issuance of Common Stock or other payment pursuant to an Award; (5) the number of shares of Common Stock or cash equivalent with respect to which an Award will be granted to each such person; (6) the Fair Market Value applicable to an Award; and (7) the terms of any Performance Award that is not valued in whole or in part by reference to, or otherwise based on, the Common Stock, including the amount of cash payment or other property that may be earned and the timing of payment.

(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for its administration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan or in any Award Agreement, in a manner and to the extent it deems necessary or expedient to make the Plan or Award fully effective.

(iii) To settle all controversies regarding the Plan and Awards granted under it.

(iv) To accelerate the time at which an Award may first be exercised or the time during which an Award or any part thereof will vest, notwithstanding the provisions in the Award Agreement stating the time at which it may first be exercised or the time during which it will vest.

(v) To prohibit the exercise of any Option, SAR or other exercisable Award during a period of up to 30 days prior to the consummation of any pending stock dividend, stock split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to stockholders, or any other change affecting the shares of Common Stock or the share price of the Common Stock including any Corporate Transaction, for reasons of administrative convenience.

(vi) To suspend or terminate the Plan at any time. Suspension or termination of the Plan will not Materially Impair rights and obligations under any Award granted while the Plan is in effect except with the written consent of the affected Participant.

(vii) To amend the Plan in any respect the Board deems necessary or advisable; provided, however, that stockholder approval will be required for any amendment to the extent required by Applicable Law. Except as provided above, rights under any Award granted before amendment of the Plan will not be Materially Impaired by any amendment of the Plan unless (1) the Company requests the consent of the affected Participant, and (2) such Participant consents in writing.

(viii) To submit any amendment to the Plan for stockholder approval.

(ix) To approve forms of Award Agreements for use under the Plan and to amend the terms of any one or more Awards, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Award Agreement, subject to any specified limits in the Plan that are not subject to Board discretion; *provided however*, that, a Participant's rights under any Award will not be Materially Impaired by any such amendment unless (1) the Company requests the consent of the affected Participant, and (2) such Participant consents in writing.

(x) Generally, to exercise such powers and to perform such acts as the Board deems necessary or expedient to promote the best interests of the Company and that are not in conflict with the provisions of the Plan or Awards.

(xi) To adopt such procedures and sub-plans as are necessary or appropriate to permit and facilitate participation in the Plan by, or take advantage of specific tax treatment for Awards granted to, Employees, Directors or Consultants who are foreign nationals or employed outside the United States (provided that Board approval will not be necessary for immaterial modifications to the Plan or any Award Agreement to ensure or facilitate compliance with the laws of the relevant foreign jurisdiction).

(xii) To effect, at any time and from time to time, subject to the consent of any Participant whose Award is Materially Impaired by such action, (1) the reduction of the exercise price (or strike price) of any outstanding Option or SAR; (2) the cancellation of any outstanding Option or SAR and the grant in substitution therefor of (A) a new Option, SAR, Restricted Stock Award, RSU Award or Other Award, under the Plan or another equity plan of the Company, covering the same or a different number of shares of Common Stock, (B) cash and/or (C) other valuable consideration (as determined by the Board); or (3) any other action that is treated as a repricing under generally accepted accounting principles.

(c) Delegation to Committee.

(i) General. The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration of the Plan is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to another Committee or a subcommittee of the Committee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. Each Committee may retain the authority to concurrently administer the Plan with Committee or subcommittee to which it has delegated its authority hereunder and may, at any time, revest in such Committee some or all of the powers previously delegated. The Board may retain the authority to concurrently administer the Plan with any Committee and may, at any time, revest in the Board some or all of the powers previously delegated.

(ii) Rule 16b-3 Compliance. To the extent an Award is intended to qualify for the exemption from Section 16(b) of the Exchange Act that is available under Rule 16b-3 of the Exchange Act, the Award will be granted by the Board or a Committee that consists solely of two or more Non-Employee Directors, as determined under Rule 16b-3(b)(3) of the Exchange Act and thereafter any action establishing or modifying the terms of the Award will be approved by the Board or a Committee meeting such requirements to the extent necessary for such exemption to remain available.

(d) Effect of Board's Decision. All determinations, interpretations and constructions made by the Board or any Committee in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

(e) Delegation to an Officer. The Board or any Committee may delegate to one or more Officers the authority to do one or both of the following (i) designate Employees who are not Officers to be recipients of Options and SARs (and, to the extent permitted by Applicable Law, other types of Awards) and, to the extent permitted by Applicable Law, the terms thereof, and (ii) determine the number of shares of Common Stock to be subject to such Awards granted to such Employees; provided, however, that the resolutions or charter adopted by the Board or any Committee evidencing such delegation will specify the total number of shares of Common Stock that may be subject to the Awards granted by such Officer and that such Officer may not grant an Award to himself or herself. Any such Awards will be granted on the applicable form of Award Agreement most recently approved for use by the Board or the Committee, unless otherwise provided in the resolutions approving the delegation authority. Notwithstanding anything to the contrary herein, neither the Board nor any Committee may delegate to an Officer who is acting solely in the capacity of an Officer (and not also as a Director) the authority to determine the Fair Market Value.

8. TAX WITHHOLDING

(a) Withholding Authorization. As a condition to acceptance of any Award under the Plan, a Participant authorizes withholding from payroll and any other amounts payable to such Participant, and otherwise agrees to make adequate provision for (including), any sums required to satisfy any U.S. federal, state, local and/or foreign tax or social insurance contribution withholding obligations of the Company or an Affiliate, if any, which arise in connection with the exercise, vesting or settlement of such Award, as applicable. Accordingly, a Participant may not be able to exercise an Award even though the Award is vested, and the Company shall have no obligation to issue shares of Common Stock subject to an Award, unless and until such obligations are satisfied.

(b) Satisfaction of Withholding Obligation. To the extent permitted by the terms of an Award Agreement, the Company may, in its sole discretion, satisfy any U.S. federal, state, local and/or foreign tax or social insurance withholding obligation relating to an Award by any of the following means or by a combination of such means: (i) causing the Participant to tender a cash payment; (ii) withholding shares of Common Stock from the shares of Common Stock issued or otherwise issuable to the Participant in connection with the Award; (iii) withholding cash from an Award settled in cash; (iv) withholding payment from any amounts otherwise payable to the Participant; (v) by allowing a Participant to effectuate a "cashless exercise" pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board; or (vi) by such other method as may be set forth in the Award Agreement.

(c) No Obligation to Notify or Minimize Taxes; No Liability to Claims. Except as required by Applicable Law the Company has no duty or obligation to any Participant to advise such holder as to the time or manner of exercising such Award. Furthermore, the Company has no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. The Company has no duty or obligation to minimize the tax consequences of an Award to the holder of such Award and will not be liable to any holder of an Award for any adverse tax consequences to such holder in connection with an Award. As a condition to accepting an Award under the Plan, each Participant (i) agrees to not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from such Award or other Company compensation and (ii) acknowledges that such Participant was advised to consult with his or her own personal tax, financial and other legal advisors regarding the tax consequences of the Award and has either done so or knowingly and voluntarily declined to do so. Additionally, each Participant acknowledges any Option or SAR granted under the Plan is exempt from Section 409A only if the exercise or strike price is at least equal to the "fair market value" of the Common Stock on the date of grant as determined by the Internal Revenue Service and there is no other impermissible deferral of compensation associated with the Award. Additionally, as a condition to accepting an Option or SAR granted under the Plan, each Participant agrees not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates in the event that the Internal Revenue Service asserts that such exercise price or strike price is less than the "fair market value" of the Common Stock on the date of grant as subsequently determined by the Internal Revenue Service.

(d) Withholding Indemnification. As a condition to accepting an Award under the Plan, in the event that the amount of the Company's and/or its Affiliate's withholding obligation in connection with such Award was greater than the amount actually withheld by the Company and/or its Affiliates, each Participant agrees to indemnify and hold the Company and/or its Affiliates harmless from any failure by the Company and/or its Affiliates to withhold the proper amount.

9. MISCELLANEOUS.

(a) Source of Shares. The stock issuable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market or otherwise.

(b) Use of Proceeds from Sales of Common Stock. Proceeds from the sale of shares of Common Stock pursuant to Awards will constitute general funds of the Company.

(c) Corporate Action Constituting Grant of Awards. Corporate action constituting a grant by the Company of an Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Board, regardless of when the instrument, certificate, or letter evidencing the Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (e.g., Board consents, resolutions or minutes) documenting the corporate action approving the grant contain terms (e.g., exercise price, vesting schedule or number of shares) that are inconsistent with those in the Award Agreement or related grant documents as a result of a clerical error in the Award Agreement or related grant documents, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Award Agreement or related grant documents.

(d) Stockholder Rights. No Participant will be deemed to be the holder of, or to have any of the rights of a holder with respect to, any shares of Common Stock subject to such Award unless and until (i) such Participant has satisfied all requirements for exercise of the Award pursuant to its terms, if applicable, and (ii) the issuance of the Common Stock subject to such Award is reflected in the records of the Company.

(e) No Employment or Other Service Rights. Nothing in the Plan, any Award Agreement or any other instrument executed thereunder or in connection with any Award granted pursuant thereto will confer upon any Participant any right to continue to serve the Company or an Affiliate in the capacity in effect at the time the Award was granted or affect the right of the Company or an Affiliate to terminate at will and without regard to any future vesting opportunity that a Participant may have with respect to any Award (i) the employment of an Employee with or without notice and with or without cause, (ii) the service of a Consultant pursuant to the terms of such Consultant's agreement with the Company or an Affiliate, or (iii) the service of a Director pursuant to the Bylaws of the Company or an Affiliate, and any applicable provisions of the corporate law of the state or foreign jurisdiction in which the Company or the Affiliate is incorporated, as the case may be. Further, nothing in the Plan, any Award Agreement or any other instrument executed thereunder or in connection with any Award will constitute any promise or commitment by the Company or an Affiliate regarding the fact or nature of future positions, future work assignments, future compensation or any other term or condition of employment or service or confer any right or benefit under the Award or the Plan unless such right or benefit has specifically accrued under the terms of the Award Agreement and/or Plan.

(f) Change in Time Commitment. In the event a Participant's regular level of time commitment in the performance of his or her services for the Company and any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the Employee has a change in status from a full-time Employee to a part-time Employee or takes an extended leave of absence) after the date of grant of any Award to the Participant, the Board may determine, to the extent permitted by Applicable Law, to (i) make a corresponding reduction in the number of shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment, and (ii) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced or extended.

(g) Execution of Additional Documents. As a condition to accepting an Award under the Plan, the Participant agrees to execute any additional documents or instruments necessary or desirable, as determined in the Plan Administrator's sole discretion, to carry out the purposes or intent of the Award, or facilitate compliance with securities and/or other regulatory requirements, in each case at the Plan Administrator's request.

(h) Electronic Delivery and Participation. Any reference herein or in an Award Agreement to a "written" agreement or document will include any agreement or document delivered electronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Company's intranet (or other shared electronic medium controlled by the Company to which the Participant has access). By accepting any Award the Participant consents to receive documents by electronic delivery and to participate in the Plan through any on-line electronic system established and maintained by the Plan Administrator or another third party selected by the Plan Administrator. The form of delivery of any Common Stock (e.g., a stock certificate or electronic entry evidencing such shares) shall be determined by the Company.

(i) Clawback/Recovery. All Awards granted under the Plan will be subject to recoupment in accordance with any clawback policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other Applicable Law and any clawback policy that the Company otherwise adopts, to the extent applicable and permissible under Applicable Law. In addition, the Board may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Board determines necessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of Common Stock or other cash or property upon the occurrence of Cause. No recovery of compensation under such a clawback policy will be an event giving rise to a Participant's right to voluntarily terminate employment upon a "resignation for good reason," or for a "constructive termination" or any similar term under any plan of or agreement with the Company.

(j) Securities Law Compliance. A Participant will not be issued any shares in respect of an Award unless either (i) the shares are registered under the Securities Act; or (ii) the Company has determined that such issuance would be exempt from the registration requirements of the Securities Act. Each Award also must comply with other Applicable Law governing the Award, and a Participant will not receive such shares if the Company determines that such receipt would not be in material compliance with Applicable Law.

(k) Transfer or Assignment of Awards; Issued Shares. Except as expressly provided in the Plan or the form of Award Agreement, Awards granted under the Plan may not be transferred or assigned by the Participant. After the vested shares subject to an Award have been issued, or in the case of Restricted Stock and similar awards, after the issued shares have vested, the holder of such shares is free to assign, hypothecate, donate, encumber or otherwise dispose of any interest in such shares provided that any such actions are in compliance with the provisions herein, the terms of the Trading Policy and Applicable Law.

(l) Effect on Other Employee Benefit Plans. The value of any Award granted under the Plan, as determined upon grant, vesting or settlement, shall not be included as compensation, earnings, salaries, or other similar terms used when calculating any Participant's benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

(m) Deferrals. To the extent permitted by Applicable Law, the Board, in its sole discretion, may determine that the delivery of Common Stock or the payment of cash, upon the exercise, vesting or settlement of all or a portion of any Award may be deferred and may also establish programs and procedures for deferral elections to be made by Participants. Deferrals will be made in accordance with the requirements of Section 409A.

(n) Section 409A. Unless otherwise expressly provided for in an Award Agreement, the Plan and Award Agreements will be interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 409A, and, to the extent not so exempt, in compliance with the requirements of Section 409A. If the Board determines that any Award granted hereunder is not exempt from and is therefore subject to Section 409A, the Award Agreement evidencing such Award will incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to the extent an Award Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by reference into the Award Agreement. Notwithstanding anything to the contrary in this Plan (and unless the Award Agreement specifically provides otherwise), if the shares of Common Stock are publicly traded, and if a Participant holding an Award that constitutes "deferred compensation" under Section 409A is a "specified employee" for purposes of Section 409A, no distribution or payment of any amount that is due because of a "separation from service" (as defined in Section 409A without regard to alternative definitions thereunder) will be issued or paid before the date that is six months and one day following the date of such Participant's "separation from service" or, if earlier, the date of the Participant's death, unless such distribution or payment can be made in a manner that complies with Section 409A, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses, with the balance paid thereafter on the original schedule.

(o) CHOICE OF LAW. This Plan and any controversy arising out of or relating to this Plan shall be governed by, and construed in accordance with, the internal laws of the State of Delaware, without regard to conflict of law principles that would result in any application of any law other than the law of the State of Delaware.

10. COVENANTS OF THE COMPANY.

Company will seek to obtain from each regulatory commission or agency, as may be deemed to be necessary, having jurisdiction over the Plan such authority as may be required to grant Awards and to issue and sell shares of Common Stock upon exercise or vesting of the Awards; provided, however, that this undertaking will not require the Company to register under the Securities Act the Plan, any Award or any Common Stock issued or issuable pursuant to any such Award. If, after reasonable efforts and at a reasonable cost, the Company is unable to obtain from any such regulatory commission or agency the authority that counsel for the Company deems necessary or advisable for the lawful issuance and sale of Common Stock under the Plan, the Company will be relieved from any liability for failure to issue and sell Common Stock upon exercise or vesting of such Awards unless and until such authority is obtained. A Participant is not eligible for the grant of an Award or the subsequent issuance of Common Stock pursuant to the Award if such grant or issuance would be in violation of any Applicable Law.

11. ADDITIONAL RULES FOR AWARDS SUBJECT TO SECTION 409A.

(a) Application. Unless the provisions of this Section of the Plan are expressly superseded by the provisions in the form of Award Agreement, the provisions of this Section shall apply and shall supersede anything to the contrary set forth in the Award Agreement for a Non-Exempt Award.

(b) Non-Exempt Awards Subject to Non-Exempt Severance Arrangements. To the extent a Non-Exempt Award is subject to Section 409A due to application of a Non-Exempt Severance Arrangement, the following provisions of this subsection (b) apply.

(i) If the Non-Exempt Award vests in the ordinary course during the Participant's Continuous Service in accordance with the vesting schedule set forth in the Award Agreement, and does not accelerate vesting under the terms of a Non-Exempt Severance Arrangement, in no event will the shares be issued in respect of such Non-Exempt Award any later than the later of: (i) December 31st of the calendar year that includes the applicable vesting date, or (ii) the 60th day that follows the applicable vesting date.

(ii) If vesting of the Non-Exempt Award accelerates under the terms of a Non-Exempt Severance Arrangement in connection with the Participant's Separation from Service, and such vesting acceleration provisions were in effect as of the date of grant of the Non-Exempt Award and, therefore, are part of the terms of such Non-Exempt Award as of the date of grant, then the shares will be earlier issued in settlement of such Non-Exempt Award upon the Participant's Separation from Service in accordance with the terms of the Non-Exempt Severance Arrangement, but in no event later than the 60th day that follows the date of the Participant's Separation from Service. However, if at the time the shares would otherwise be issued the Participant is subject to the distribution limitations contained in Section 409A applicable to "specified employees," as defined in Section 409A(a)(2)(B)(i) of the Code, such shares shall not be issued before the date that is six months following the date of such Participant's Separation from Service, or, if earlier, the date of the Participant's death that occurs within such six month period.

(iii) If vesting of a Non-Exempt Award accelerates under the terms of a Non-Exempt Severance Arrangement in connection with a Participant's Separation from Service, and such vesting acceleration provisions were not in effect as of the date of grant of the Non-Exempt Award and, therefore, are not a part of the terms of such Non-Exempt Award on the date of grant, then such acceleration of vesting of the Non-Exempt Award shall not accelerate the issuance date of the shares, but the shares shall instead be issued on the same schedule as set forth in the Grant Notice as if they had vested in the ordinary course during the Participant's Continuous Service, notwithstanding the vesting acceleration of the Non-Exempt Award. Such issuance schedule is intended to satisfy the requirements of payment on a specified date or pursuant to a fixed schedule, as provided under Treasury Regulations Section 1.409A-3(a)(4).

(c) Treatment of Non-Exempt Awards Upon a Corporate Transaction for Employees and Consultants. The provisions of this subsection (c) shall apply and shall supersede anything to the contrary set forth in the Plan with respect to the permitted treatment of any Non-Exempt Award in connection with a Corporate Transaction if the Participant was either an Employee or Consultant upon the applicable date of grant of the Non-Exempt Award.

(i) Vested Non-Exempt Awards. The following provisions shall apply to any Vested Non-Exempt Award in connection with a Corporate Transaction:

(1) If the Corporate Transaction is also a Section 409A Change in Control then the Acquiring Entity may not assume, continue or substitute the Vested Non-Exempt Award. Upon the Section 409A Change in Control the settlement of the Vested Non-Exempt Award will automatically be accelerated and the shares will be immediately issued in respect of the Vested Non-Exempt Award. Alternatively, the Company may instead provide that the Participant will receive a cash settlement equal to the Fair Market Value of the shares that would otherwise be issued to the Participant upon the Section 409A Change in Control.

(2) If the Corporate Transaction is not also a Section 409A Change in Control, then the Acquiring Entity must either assume, continue or substitute each Vested Non-Exempt Award. The shares to be issued in respect of the Vested Non-Exempt Award shall be issued to the Participant by the Acquiring Entity on the same schedule that the shares would have been issued to the Participant if the Corporate Transaction had not occurred. In the Acquiring Entity's discretion, in lieu of an issuance of shares, the Acquiring Entity may instead substitute a cash payment on each applicable issuance date, equal to the Fair Market Value of the shares that would otherwise be issued to the Participant on such issuance dates, with the determination of the Fair Market Value of the shares made on the date of the Corporate Transaction.

(ii) Unvested Non-Exempt Awards. The following provisions shall apply to any Unvested Non-Exempt Award unless otherwise determined by the Board pursuant to subsection (e) of this Section.

(1) In the event of a Corporate Transaction, the Acquiring Entity shall assume, continue or substitute any Unvested Non-Exempt Award. Unless otherwise determined by the Board, any Unvested Non-Exempt Award will remain subject to the same vesting and forfeiture restrictions that were applicable to the Award prior to the Corporate Transaction. The shares to be issued in respect of any Unvested Non-Exempt Award shall be issued to the Participant by the Acquiring Entity on the same schedule that the shares would have been issued to the Participant if the Corporate Transaction had not occurred. In the Acquiring Entity's discretion, in lieu of an issuance of shares, the Acquiring Entity may instead substitute a cash payment on each applicable issuance date, equal to the Fair Market Value of the shares that would otherwise be issued to the Participant on such issuance dates, with the determination of Fair Market Value of the shares made on the date of the Corporate Transaction.

(2) If the Acquiring Entity will not assume, substitute or continue any Unvested Non-Exempt Award in connection with a Corporate Transaction, then such Award shall automatically terminate and be forfeited upon the Corporate Transaction with no consideration payable to any Participant in respect of such forfeited Unvested Non-Exempt Award. Notwithstanding the foregoing, to the extent permitted and in compliance with the requirements of Section 409A, the Board may in its discretion determine to elect to accelerate the vesting and settlement of the Unvested Non-Exempt Award upon the Corporate Transaction, or instead substitute a cash payment equal to the Fair Market Value of such shares that would otherwise be issued to the Participant, as further provided in subsection (e)(ii) below. In the absence of such discretionary election by the Board, any Unvested Non-Exempt Award shall be forfeited without payment of any consideration to the affected Participants if the Acquiring Entity will not assume, substitute or continue the Unvested Non-Exempt Awards in connection with the Corporate Transaction.

(3) The foregoing treatment shall apply with respect to all Unvested Non-Exempt Awards upon any Corporate Transaction, and regardless of whether or not such Corporate Transaction is also a Section 409A Change in Control.

(d) Treatment of Non-Exempt Awards Upon a Corporate Transaction for Non-Employee Directors. The following provisions of this subsection (d) shall apply and shall supersede anything to the contrary that may be set forth in the Plan with respect to the permitted treatment of a Non-Exempt Director Award in connection with a Corporate Transaction.

(i) If the Corporate Transaction is also a Section 409A Change in Control then the Acquiring Entity may not assume, continue or substitute the Non-Exempt Director Award. Upon the Section 409A Change in Control the vesting and settlement of any Non-Exempt Director Award will automatically be accelerated and the shares will be immediately issued to the Participant in respect of the Non-Exempt Director Award. Alternatively, the Company may provide that the Participant will instead receive a cash settlement equal to the Fair Market Value of the shares that would otherwise be issued to the Participant upon the Section 409A Change in Control pursuant to the preceding provision.

(ii) If the Corporate Transaction is not also a Section 409A Change in Control, then the Acquiring Entity must either assume, continue or substitute the Non-Exempt Director Award. Unless otherwise determined by the Board, the Non-Exempt Director Award will remain subject to the same vesting and forfeiture restrictions that were applicable to the Award prior to the Corporate Transaction. The shares to be issued in respect of the Non-Exempt Director Award

shall be issued to the Participant by the Acquiring Entity on the same schedule that the shares would have been issued to the Participant if the Corporate Transaction had not occurred. In the Acquiring Entity's discretion, in lieu of an issuance of shares, the Acquiring Entity may instead substitute a cash payment on each applicable issuance date, equal to the Fair Market Value of the shares that would otherwise be issued to the Participant on such issuance dates, with the determination of Fair Market Value made on the date of the Corporate Transaction.

(e) If the RSU Award is a Non-Exempt Award, then the provisions in this Section 11(e) shall apply and supersede anything to the contrary that may be set forth in the Plan or the Award Agreement with respect to the permitted treatment of such Non-Exempt Award:

(i) Any exercise by the Board of discretion to accelerate the vesting of a Non-Exempt Award shall not result in any acceleration of the scheduled issuance dates for the shares in respect of the Non-Exempt Award unless earlier issuance of the shares upon the applicable vesting dates would be in compliance with the requirements of Section 409A.

(ii) The Company explicitly reserves the right to earlier settle any Non-Exempt Award to the extent permitted and in compliance with the requirements of Section 409A, including pursuant to any of the exemptions available in Treasury Regulations Section 1.409A-3(j)(4)(ix).

(iii) To the extent the terms of any Non-Exempt Award provide that it will be settled upon a Change in Control or Corporate Transaction, to the extent it is required for compliance with the requirements of Section 409A, the Change in Control or Corporate Transaction event triggering settlement must also constitute a Section 409A Change in Control. To the extent the terms of a Non-Exempt Award provides that it will be settled upon a termination of employment or termination of Continuous Service, to the extent it is required for compliance with the requirements of Section 409A, the termination event triggering settlement must also constitute a Separation From Service. However, if at the time the shares would otherwise be issued to a Participant in connection with a "separation from service" such Participant is subject to the distribution limitations contained in Section 409A applicable to "specified employees," as defined in Section 409A(a)(2)(B)(i) of the Code, such shares shall not be issued before the date that is six months following the date of the Participant's Separation From Service, or, if earlier, the date of the Participant's death that occurs within such six month period.

(iv) The provisions in this subsection (e) for delivery of the shares in respect of the settlement of an RSU Award that is a Non-Exempt Award are intended to comply with the requirements of Section 409A so that the delivery of the shares to the Participant in respect of such Non-Exempt Award will not trigger the additional tax imposed under Section 409A, and any ambiguities herein will be so interpreted.

12. SEVERABILITY.

If all or any part of the Plan or any Award Agreement is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not invalidate any portion of the Plan or such Award Agreement not declared to be unlawful or invalid. Any Section of the Plan or any Award Agreement (or part of such a Section) so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such Section or part of a Section to the fullest extent possible while remaining lawful and valid.

13. TERMINATION OF THE PLAN.

The Board may suspend or terminate the Plan at any time. No Incentive Stock Options may be granted after the tenth anniversary of the earlier of: (i) the Adoption Date, or (ii) the date the Plan is approved by the Company's stockholders. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

14. Definitions.

As used in the Plan, the following definitions apply to the capitalized terms indicated below:

(a) "***Acquiring Entity***" means the surviving or acquiring corporation (or its parent company) in connection with a Corporate Transaction.

(b) "***Adoption Date***" means the date the Plan is first approved by the Board or Compensation Committee.

(c) "***Affiliate***" means, at the time of determination, any "parent" or "subsidiary" of the Company as such terms are defined in Rule 405 promulgated under the Securities Act. The Board may determine the time or times at which "parent" or "subsidiary" status is determined within the foregoing definition.

(d) "***Applicable Law***" means any applicable securities, federal, state, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body (including under the authority of any applicable self-regulating organization such as the Nasdaq Stock Market, New York Stock Exchange, or the Financial Industry Regulatory Authority).

(e) "***Award***" means any right to receive Common Stock, cash or other property granted under the Plan (including an Incentive Stock Option, a Nonstatutory Stock Option, a Restricted Stock Award, an RSU Award, a SAR, a Performance Award or any Other Award).

(f) "***Award Agreement***" means a written or electronic agreement between the Company and a Participant evidencing the terms and conditions of an Award. The Award Agreement generally consists of the Grant Notice and the agreement containing the written summary of the general terms and conditions applicable to the Award and which is provided, including through electronic means, to a Participant along with the Grant Notice.

(g) "***Board***" means the Board of Directors of the Company (or its designee). Any decision or determination made by the Board shall be a decision or determination that is made in the sole discretion of the Board (or its designee), and such decision or determination shall be final and binding on all Participants.

(h) "***Capitalization Adjustment***" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Award after the date the Plan is adopted by the Board without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(i) "***Cause***" has the meaning ascribed to such term in any written agreement between a Participant and the Company defining such term and, in the absence of such agreement, such term means, with respect to a Participant, the occurrence of any of the following events: (i) the Participant's dishonest statements or acts with respect to the Company or any Affiliate of the Company, or any current or prospective customers, suppliers, vendors or other third parties with which such entity does business; (ii) the Participant's commission of (A) a felony or (B) any misdemeanor involving moral turpitude, deceit, dishonesty or fraud; (iii) the Participant's failure to perform the Participant's assigned duties and responsibilities to the reasonable satisfaction of the Company which failure continues, in the reasonable judgment of the Company, after written notice given to the Participant by the Company; (iv) the Participant's gross negligence, willful misconduct or insubordination with respect to the Company or any Affiliate of the Company; or (v) the Participant's material violation of any provision of any agreement(s) between the Participant and the Company or any Affiliate of the Company relating to noncompetition, nonsolicitation, nondisclosure and/or assignment of inventions. The determination that a termination of the Participant's Continuous Service is either for Cause or without Cause will be made by the Board with respect to Participants who are executive officers of the Company and by the Company's Chief Executive Officer with respect to Participants who are not executive officers of the Company. Any determination by the Company that the Continuous Service of a Participant was terminated with or without Cause for the purposes of outstanding Awards held by such Participant will have no effect upon any determination of the rights or obligations of the Company or such Participant for any other purpose.

(j) "***Change in Control***" or "***Change of Control***" means the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) any Exchange Act Person becomes the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction. Notwithstanding the foregoing, a Change in Control shall not be deemed to occur (A) on account of the acquisition of securities of the Company directly from the Company, (B) on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Exchange Act Person that acquires the Company's securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities, or (C) solely because the level of Ownership held by any Exchange Act Person (the "*Subject Person*") exceeds the designated percentage threshold of the outstanding voting securities as a result of a repurchase or other acquisition of voting securities by the Company reducing the number of shares outstanding, provided that if a Change in Control would occur (but for the operation of this sentence) as a result of the acquisition of voting securities by the Company, and after such share acquisition, the Subject Person becomes the Owner of any additional voting securities that, assuming the repurchase or other acquisition had not occurred, increases the percentage of the then outstanding voting securities Owned by the Subject Person over the designated percentage threshold, then a Change in Control shall be deemed to occur;

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the Acquiring Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the Acquiring Entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction;

(iii) there is consummated a sale, lease, exclusive license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries, other than a sale, lease, license or other disposition of all or substantially all of the consolidated assets of the Company and its Subsidiaries to an Entity, more than 50% of the combined voting power of the voting securities of which are Owned by stockholders of the Company in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition; or

(iv) individuals who, on the date the Plan is adopted by the Board, are members of the Board (the "***Incumbent Board***") cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member shall, for purposes of this Plan, be considered as a member of the Incumbent Board.

Notwithstanding the foregoing or any other provision of this Plan, (A) the term Change in Control shall not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company, (B) the definition of Change in Control (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant shall supersede the foregoing definition with respect to Awards subject to such agreement; provided, however, that if no definition of Change in Control or any analogous term is set forth in such an individual written agreement, the foregoing definition shall apply, and (C) with respect to any nonqualified deferred compensation that becomes payable on account of the Change in Control, the transaction or event described in clause (i), (ii), (iii), or (iv) also constitutes a Section 409A Change in Control if required in order for the payment not to violate Section 409A of the Code.

(k) "***Code***" means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(l) "***Combined Common Stock*"** means the common stock of the Company of all classes.

(m) "***Committee***" means the Compensation Committee and any other committee of one or more Directors to whom authority has been delegated by the Board or Compensation Committee in accordance with the Plan.

(n) "***Common Stock***" means the Class A common stock of the Company.

(o) "***Company***" means Rani Therapeutics Holdings, Inc., a Delaware corporation.

(p) "***Compensation Committee***" means the Compensation Committee of the Board.

(q) "***Consultant***" means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services and is compensated for such services, or (ii) serving as a member of the board of directors of an Affiliate and is compensated for such services. However, service solely as a Director, or payment of a fee for such service, will not cause a Director to be considered a "Consultant" for purposes of the Plan. Notwithstanding the foregoing, a person is treated as a Consultant under this Plan only if a Form S-8 Registration Statement under the Securities Act is available to register either the offer or the sale of the Company's securities to such person.

(r) "***Continuous Service***" means that the Participant's service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Director or Consultant or a change in the Entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or an Affiliate, will not terminate a Participant's Continuous Service; provided, however, that if the Entity for which a Participant is rendering services ceases to qualify as an Affiliate, as determined by the Board, such Participant's Continuous Service will be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. For example, a change in status from an Employee of the Company to a Consultant of an Affiliate or to a Director will not constitute an interruption of Continuous Service. To the extent permitted by law, the Board or the chief executive officer of the Company, in that party's sole discretion, may determine whether Continuous Service will be considered interrupted in the case of (i) any leave of absence approved by the Board or chief executive officer, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate, or their successors. Notwithstanding the foregoing, a leave of absence will be treated as Continuous Service for purposes of vesting in an Award only to such extent as may be provided in the Company's leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant, or as otherwise required by law. In addition, to the extent required for exemption from or compliance with Section 409A, the determination of whether there has been a termination of Continuous Service will be made, and such term will be construed, in a manner that is consistent with the definition of "separation from service" as defined under Treasury Regulation Section 1.409A-1(h) (without regard to any alternative definition thereunder).

(s) "***Corporate Transaction***" means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board, of the consolidated assets of the Company and its Subsidiaries;

(ii) a sale or other disposition of at least 50% of the outstanding securities of the Company;

(iii) a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

Notwithstanding the foregoing or any other provision of this Plan, (A) the term Corporate Transaction shall not include a sale of assets, merger or other transaction effected exclusively for the purpose of changing the domicile of the Company, (B) the definition of Corporate Transaction (or any analogous term) in an individual written agreement between the Company or any Affiliate and the Participant shall supersede the foregoing definition with respect to Awards subject to such agreement; provided, however, that if no definition of Corporate Transaction or any analogous term is set forth in such an individual written agreement, the foregoing definition shall apply, and (C) with respect to any nonqualified deferred compensation that becomes payable on account of the Corporate Transaction, the transaction or event described in clause (i), (ii), (iii), or (iv) also constitutes a Section 409A Change in Control if required in order for the payment not to violate Section 409A of the Code.

(t) "***Director***" means a member of the Board.

(u) "***determine***" or "***determined***" means as determined by the Board or the Committee (or its designee) in its sole discretion.

(v) "***Disability***" means, with respect to a Participant, such Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months, as provided in Section 22(e)(3) of the Code, and will be determined by the Board on the basis of such medical evidence as the Board deems warranted under the circumstances.

(w) "***Effective Date***" means immediately prior to the IPO Date, provided that this Plan is approved by the Company's stockholders prior to the IPO Date.

(x) "***Employee***" means any person employed by the Company or an Affiliate. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an "Employee" for purposes of the Plan.

(y) "***Employer***" means the Company or the Affiliate of the Company that employs the Participant.

(z) "***Entity***" means a corporation, partnership, limited liability company or other entity.

(aa) "***Exchange Act***" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

(bb) "***Exchange Act Person***" means any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that "Exchange Act Person" will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company; or (v) any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act) that, as of the Effective Date, is the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities.

(cc) "***Fair Market Value***" means, as of any date, unless otherwise determined by the Board, the value of the Common Stock (as determined on a per share or aggregate basis, as applicable) determined as follows:

(i) If the Common Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value will be the closing sales price for such stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) on the date of determination, as reported in a source the Board deems reliable.

(ii) If there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value will be the closing selling price on the last preceding date for which such quotation exists.

(iii) In the absence of such markets for the Common Stock, or if otherwise determined by the Board, the Fair Market Value will be determined by the Board in good faith and in a manner that complies with Sections 409A and 422 of the Code.

(dd) "***Governmental Body***" means any: (i) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (ii) federal, state, local, municipal, foreign or other government; (iii) governmental or regulatory body, or quasi-governmental body of any nature (including any governmental division, department, administrative agency or bureau, commission, authority, instrumentality, official, ministry, fund, foundation, center, organization, unit, body or Entity and any court or other tribunal, and for the avoidance of doubt, any Tax authority) or other body exercising similar powers or authority; or (iv) self-regulatory organization (including the Nasdaq Stock Market, New York Stock Exchange, and the Financial Industry Regulatory Authority).

(ee) "***Grant Notice***" means the notice provided to a Participant that he or she has been granted an Award under the Plan and which includes the name of the Participant, the type of Award, the date of grant of the Award, number of shares of Common Stock subject to the Award or potential cash payment right, (if any), the vesting schedule for the Award (if any) and other key terms applicable to the Award.

(ff) "***Incentive Stock Option***" means an option granted pursuant to Section 4 of the Plan that is intended to be, and qualifies as, an "incentive stock option" within the meaning of Section 422 of the Code.

(gg) "***IPO Date***" means the date of the underwriting agreement between the Company and the underwriter(s) managing the initial public offering of the Common Stock, pursuant to which the Common Stock is priced for the initial public offering.

(hh) "***Materially Impair***" means any amendment to the terms of the Award that materially adversely affects the Participant's rights under the Award. A Participant's rights under an Award will not be deemed to have been Materially Impaired by any such amendment if the Board, in its sole discretion, determines that the amendment, taken as a whole, does not materially impair the Participant's rights. For example, the following types of amendments to the terms of an Award do not Materially Impair the Participant's rights under the Award: (i) imposition of reasonable restrictions on the minimum number of shares subject to an Option or SAR that may be exercised; (ii) to maintain the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (iii) to change the terms of an Incentive Stock Option in a manner that disqualifies, impairs or otherwise affects the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (iv) to clarify the manner of exemption from, or to bring the Award into compliance with or qualify it for an exemption from, Section 409A; or (v) to comply with other Applicable Laws.

(ii) "***Non-Employee Director***" means a Director who either (i) is not a current employee or officer of the Company or an Affiliate, does not receive compensation, either directly or indirectly, from the Company or an Affiliate for services rendered as a consultant or in any capacity other than as a Director (except for an amount as to which disclosure would not be required under Item 404(a) of Regulation S-K promulgated pursuant to the Securities Act ("***Regulation S-K***")), does not possess an interest in any other transaction for which disclosure would be required under Item 404(a) of Regulation S-K, and is not engaged in a business relationship for which disclosure would be required pursuant to Item 404(b) of Regulation S-K; or (ii) is otherwise considered a "non-employee director" for purposes of Rule 16b-3.

(jj) "***Non-Exempt Award***" means any Award that is subject to, and not exempt from, Section 409A, including as the result of (i) a deferral of the issuance of the shares subject to the Award which is elected by the Participant or imposed by the Company, or (ii) the terms of any Non-Exempt Severance Agreement.

(kk) "***Non-Exempt Director Award***" means a Non-Exempt Award granted to a Participant who was a Director but not an Employee on the applicable grant date.

(ll) "***Non-Exempt Severance Arrangement***" means a severance arrangement or other agreement between the Participant and the Company that provides for acceleration of vesting of an Award and issuance of the shares in respect of such Award upon the Participant's termination of employment or separation from service (as such term is defined in Section 409A(a)(2)(A)(i) of the Code (and without regard to any alternative definition thereunder) ("***Separation from Service***") and such severance benefit does not satisfy the requirements for an exemption from application of Section 409A provided under Treasury Regulations Section 1.409A-1(b)(4), 1.409A-1(b)(9) or otherwise.

(mm) "***Nonstatutory Stock Option***" means any option granted pursuant to Section 4 of the Plan that does not qualify as an Incentive Stock Option.

(nn) "***Officer***" means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

(oo) "***Option***" means an Incentive Stock Option or a Nonstatutory Stock Option to purchase shares of Common Stock granted pursuant to the Plan.

(pp) "***Option Agreement***" means a written or electronic agreement between the Company and the Optionholder evidencing the terms and conditions of the Option grant. The Option Agreement includes the Grant Notice for the Option and the agreement containing the written summary of the general terms and conditions applicable to the Option and which is provided, including through electronic means, to a Participant along with the Grant Notice. Each Option Agreement will be subject to the terms and conditions of the Plan.

(qq) "***Optionholder***" means a person to whom an Option is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Option.

(rr) "***Other Award***" means an award valued in whole or in part by reference to, or otherwise based on, Common Stock, including the appreciation in value thereof (e.g., options or stock rights with an exercise price or strike price less than 100% of the Fair Market Value at the time of grant) that is not an Incentive Stock Option, Nonstatutory Stock Option, SAR, Restricted Stock Award, RSU Award or Performance Award.

(ss) "***Other Award Agreement***" means a written or electronic agreement between the Company and a holder of an Other Award evidencing the terms and conditions of an Other Award grant. Each Other Award Agreement will be subject to the terms and conditions of the Plan.

(tt) "***Own,***" "***Owned,***" "***Owner,***" "***Ownership***" means that a person or Entity will be deemed to "Own," to have "Owned," to be the "Owner" of, or to have acquired "Ownership" of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(uu) "***Participant***" means an Employee, Director or Consultant to whom an Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Award.

(vv) "***Performance Award***" means an Award that may vest or may be exercised or a cash award that may vest or become earned and paid contingent upon the attainment during a Performance Period of certain Performance Goals and which is granted under the terms and conditions of Section 5(b) pursuant to such terms as are approved by the Board. In addition, to the extent permitted by Applicable Law and set forth in the applicable Award Agreement, the Board may determine that cash or other property may be used in payment of Performance Awards. Performance Awards that are settled in cash or other property are not required to be valued in whole or in part by reference to, or otherwise based on, the Common Stock.

(ww) "***Performance Criteria***" means one or more criteria that the Board will select for purposes of establishing the Performance Goals for a Performance Period. The Performance Criteria that will be used to establish such Performance Goals may be based on any one of, or combination of, the following as determined by the Board: earnings (including earnings per share and net earnings); earnings before interest, taxes and depreciation; earnings before interest, taxes, depreciation and amortization; total stockholder return; return on equity or average stockholder's equity; return on assets, investment, or capital employed; stock price; margin (including gross margin); income (before or after taxes); operating income; operating income after taxes; pre-tax profit; operating cash flow; sales or revenue targets; increases in revenue or product revenue; expenses and cost reduction goals; improvement in or attainment of working capital levels; economic value added (or an equivalent metric); market share; cash flow; cash flow per share; share price performance; debt reduction; customer satisfaction; stockholders' equity; capital expenditures; debt levels; operating profit or net operating profit; workforce diversity; growth of net income or operating income; billings; financing; regulatory milestones; stockholder liquidity; corporate governance and compliance; intellectual property; personnel matters; progress of internal research; progress of partnered programs; partner satisfaction; budget management; partner or collaborator achievements; internal controls, including those related to the Sarbanes-Oxley Act of 2002; investor relations, analysts and communication; implementation or completion of projects or processes; employee retention; number of users, including unique users; strategic partnerships or transactions (including in-licensing and out-licensing of intellectual property); establishing relationships with respect to the marketing, distribution and sale of the Company's products; supply chain achievements; co-development, co-marketing, profit sharing, joint venture or other similar arrangements; individual performance goals; corporate development and planning goals; and other measures of performance selected by the Board or Committee whether or not listed herein.

(xx) "***Performance Goals***" means, for a Performance Period, one or more goals established by the Board for the Performance Period based upon the Performance Criteria. Performance Goals may be based on a Company-wide basis, with respect to one or more business units, divisions, Affiliates, or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. Unless specified otherwise by the Board (i) in the Award Agreement at the time the Award is granted or (ii) in such other document setting forth the Performance Goals at the time the Performance Goals are established, the Board will appropriately make adjustments in the method of calculating the attainment of Performance Goals for a Performance Period as follows: (1) to exclude restructuring and/or other nonrecurring charges; (2) to exclude exchange rate effects; (3) to exclude the effects of changes to generally accepted accounting principles; (4) to exclude the effects of any statutory adjustments to corporate tax rates; (5) to exclude the effects of items that are "unusual" in nature or occur "infrequently" as determined under generally accepted accounting principles; (6) to exclude the dilutive effects of acquisitions or joint ventures; (7) to assume that any business divested by the Company achieved performance objectives at targeted levels during the balance of a Performance Period following such divestiture; (8) to exclude the effect of any change in the outstanding shares of common stock of the Company by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger, consolidation, spin-off,

combination or exchange of shares or other similar corporate change, or any distributions to common stockholders other than regular cash dividends; (9) to exclude the effects of stock based compensation and the award of bonuses under the Company's bonus plans; (10) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to be expensed under generally accepted accounting principles; and (11) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally accepted accounting principles. In addition, the Board may establish or provide for other adjustment items in the Award Agreement at the time the Award is granted or in such other document setting forth the Performance Goals at the time the Performance Goals are established. In addition, the Board retains the discretion to reduce or eliminate the compensation or economic benefit due upon attainment of Performance Goals and to define the manner of calculating the Performance Criteria it selects to use for such Performance Period. Partial achievement of the specified criteria may result in the payment or vesting corresponding to the degree of achievement as specified in the Award Agreement or the written terms of a Performance Cash Award.

(yy) "***Performance Period***" means the period of time selected by the Board over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant's right to vesting or exercise of an Award. Performance Periods may be of varying and overlapping duration, at the sole discretion of the Board.

(zz) "***Plan***" means this Rani Therapeutics Holdings, Inc. 2021 Equity Incentive Plan, as amended from time to time.

(aaa) "***Plan Administrator***" means the person, persons, and/or third-party administrator designated by the Company to administer the day to day operations of the Plan and the Company's other equity incentive programs.

(bbb) "***Post-Termination Exercise Period***" means the period following termination of a Participant's Continuous Service within which an Option or SAR is exercisable, as specified in Section 4(h).

(ccc) "***Restricted Stock Award***" or "***RSA***" means an Award of shares of Common Stock which is granted pursuant to the terms and conditions of Section 5(a).

(ddd) "***Restricted Stock Award Agreement***" means a written or electronic agreement between the Company and a holder of a Restricted Stock Award evidencing the terms and conditions of a Restricted Stock Award grant. The Restricted Stock Award Agreement includes the Grant Notice for the Restricted Stock Award and the agreement containing the written summary of the general terms and conditions applicable to the Restricted Stock Award and which is provided, including by electronic means, to a Participant along with the Grant Notice. Each Restricted Stock Award Agreement will be subject to the terms and conditions of the Plan.

(eee) "***RSU Award***" or "***RSU***" means an Award of restricted stock units representing the right to receive an issuance of shares of Common Stock which is granted pursuant to the terms and conditions of Section 5(a).

(fff) "***RSU Award Agreement***" means a written or electronic agreement between the Company and a holder of an RSU Award evidencing the terms and conditions of an RSU Award grant. The RSU Award Agreement includes the Grant Notice for the RSU Award and the agreement containing the written summary of the general terms and conditions applicable to the RSU Award and which is provided, including by electronic means, to a Participant along with the Grant Notice. Each RSU Award Agreement will be subject to the terms and conditions of the Plan.

(ggg) "***Rule 16b-3***" means Rule 16b-3 promulgated under the Exchange Act or any successor to Rule 16b-3, as in effect from time to time.

(hhh) "***Rule 405***" means Rule 405 promulgated under the Securities Act.

(iii) "***Section 409A***" means Section 409A of the Code and the regulations and other guidance thereunder.

(jjj) "***Section 409A Change in Control***" means a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the Company's assets, as provided in Section 409A(a)(2)(A)(v) of the Code and Treasury Regulations Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder).

(kkk) "***Securities Act***" means the Securities Act of 1933, as amended.

(lll) "***Share Reserve***" means the number of shares available for issuance under the Plan as set forth in Section 2(a).

(mmm) "***Stock Appreciation Right***" or "***SAR***" means a right to receive the appreciation on Common Stock that is granted pursuant to the terms and conditions of Section 4.

(nnn) "***SAR Agreement***" means a written or electronic agreement between the Company and a holder of a SAR evidencing the terms and conditions of a SAR grant. The SAR Agreement includes the Grant Notice for the SAR and the agreement containing the written summary of the general terms and conditions applicable to the SAR and which is provided, including by electronic means, to a Participant along with the Grant Notice. Each SAR Agreement will be subject to the terms and conditions of the Plan.

(ooo) "***Subsidiary***" means, with respect to the Company, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, Owned by the Company, and (ii) any partnership, limited liability company or other entity in which the Company has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%.

(ppp) "***Ten Percent Stockholder***" means a person who Owns (or is deemed to Own pursuant to Section 424(d) of the Code) stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any Affiliate.

(qqq) "***Trading Policy***" means the Company's policy permitting certain individuals to sell Company shares only during certain "window" periods and/or otherwise restricts the ability of certain individuals to transfer or encumber Company shares, as in effect from time to time.

(rrr) "***Unvested Non-Exempt Award***" means the portion of any Non-Exempt Award that had not vested in accordance with its terms upon or prior to the date of any Corporate Transaction.

(sss) "***Vested Non-Exempt Award***" means the portion of any Non-Exempt Award that had vested in accordance with its terms upon or prior to the date of a Corporate Transaction.

RANI THERAPEUTICS HOLDINGS, INC.

2021 EMPLOYEE STOCK PURCHASE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: [ ], 2021
APPROVED BY THE STOCKHOLDERS: [ ], 2021

1. GENERAL; PURPOSE.

(a) The Plan provides a means by which Eligible Employees of the Company and certain Designated Companies may be given an opportunity to purchase shares of Common Stock. The Plan permits the Company to grant a series of Purchase Rights to Eligible Employees under an Employee Stock Purchase Plan. In addition, the Plan permits the Company to grant a series of Purchase Rights to Eligible Employees that do not meet the requirements of an Employee Stock Purchase Plan.

(b) The Plan includes two components: a 423 Component and a Non-423 Component. The Company intends (but makes no undertaking or representation to maintain) the 423 Component to qualify as an Employee Stock Purchase Plan. The provisions of the 423 Component, accordingly, will be construed in a manner that is consistent with the requirements of Section 423 of the Code. In addition, this Plan authorizes grants of Purchase Rights under the Non-423 Component that do not meet the requirements of an Employee Stock Purchase Plan. Except as otherwise provided in the Plan or determined by the Board, the Non-423 Component will operate and be administered in the same manner as the 423 Component. In addition, the Company may make separate Offerings which vary in terms (provided that such terms are not inconsistent with the provisions of the Plan or the requirements of an Employee Stock Purchase Plan to the extent the Offering is made under the 423 Component), and the Company will designate which Designated Company is participating in each separate Offering.

(c) The Company, by means of the Plan, seeks to retain the services of Eligible Employees, to secure and retain the services of new Employees and to provide incentives for such persons to exert maximum efforts for the success of the Company and its Related Corporations.

2. ADMINISTRATION.

(a) The Board will administer the Plan unless and until the Board delegates administration of the Plan to a Committee or Committees, as provided in Section 2(c).

(b) The Board will have the power, subject to, and within the limitations of, the express provisions of the Plan:

(i) To determine how and when Purchase Rights will be granted and the provisions of each Offering (which need not be identical).

(ii) To designate from time to time (A) which Related Corporations of the Company will be eligible to participate in the Plan as Designated 423 Companies, (B) which Related Corporations or Affiliates will be eligible to participate in the Plan as Designated Non-423 Companies, (C) which Affiliates or Related Corporations may be excluded from participation in the Plan, and (D) which Designated Companies will participate in each separate Offering (to the extent that the Company makes separate Offerings).

(iii) To construe and interpret the Plan and Purchase Rights, and to establish, amend and revoke rules and regulations for its administration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan, in a manner and to the extent it deems necessary or expedient to make the Plan fully effective.

(iv) To settle all controversies regarding the Plan and Purchase Rights granted under the Plan.

(v) To suspend or terminate the Plan at any time as provided in Section 12.

(vi) To amend the Plan at any time as provided in Section 12.

(vii) Generally, to exercise such powers and to perform such acts as it deems necessary or expedient to promote the best interests of the Company and its Related Corporations and to carry out the intent that the Plan be treated as an Employee Stock Purchase Plan with respect to the 423 Component.

(viii) To adopt such rules, procedures and sub-plans as are necessary or appropriate to permit or facilitate participation in the Plan by Employees who are foreign nationals or employed or located outside the United States. Without limiting the generality of, and consistent with, the foregoing, the Board specifically is authorized to adopt rules, procedures, and sub-plans regarding, without limitation, eligibility to participate in the Plan, the definition of eligible "earnings," handling and making of Contributions, establishment of bank or trust accounts to hold Contributions, payment of interest, conversion of local currency, obligations to pay payroll tax, determination of beneficiary designation requirements, withholding procedures and handling of share issuances, any of which may vary according to applicable requirements, and which, if applicable to a Designated Non-423 Company, do not have to comply with the requirements of Section 423 of the Code.

(c) The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee any of the administrative powers the Committee is authorized to exercise (and references in this Plan and any applicable Offering Document to the Board will thereafter be to the Committee or subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. Further, to the extent not prohibited by Applicable Law, the Board or Committee may, from time to time, delegate some or all of its authority under the Plan to one or more officers of the Company or other persons or groups of persons as it deems necessary, appropriate or advisable under conditions or limitations that it may set at or after the time of the delegation. The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated. Whether or not the Board has delegated administration of the Plan to a Committee, the Board will have the final power to determine all questions of policy and expediency that may arise in the administration of the Plan.

(d) All determinations, interpretations and constructions made by the Board in good faith will not be subject to review by any person and will be final, binding and conclusive on all persons.

3. SHARES OF COMMON STOCK SUBJECT TO THE PLAN.

(a) Subject to the provisions of Section 11(a) relating to Capitalization Adjustments, the maximum number of shares of Common Stock that may be issued under the Plan will not exceed [•] shares of Common Stock, plus the number of shares of Common Stock that are automatically added on January 1st of each year for a period of up to ten years, commencing on January 1, 2022 and ending on (and including) January 1, 2031, in an amount equal to the lesser of (x) [•] percent ([•]%) of the total number of

shares of Combined Common Stock outstanding on December 31st of the preceding calendar year, and (y) [•] shares of Common Stock. Notwithstanding the foregoing, the Board may act prior to the first day of any calendar year to provide that there will be no January 1st increase in the share reserve for such calendar year or that the increase in the share reserve for such calendar year will be a lesser number of shares of Common Stock than would otherwise occur pursuant to the preceding sentence. For the avoidance of doubt, up to the maximum number of shares of Common Stock reserved under this Section 3(a) may be used to satisfy purchases of Common Stock under the 423 Component and any remaining portion of such maximum number of shares may be used to satisfy purchases of Common Stock under the Non-423 Component.

(b) If any Purchase Right granted under the Plan terminates without having been exercised in full, the shares of Common Stock not purchased under such Purchase Right will again become available for issuance under the Plan.

(c) The stock purchasable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market.

4. GRANT OF PURCHASE RIGHTS; OFFERING.

(a) The Board may from time to time grant or provide for the grant of Purchase Rights to Eligible Employees under an Offering (consisting of one or more Purchase Periods) on an Offering Date or Offering Dates selected by the Board. Each Offering will be in such form and will contain such terms and conditions as the Board will deem appropriate, and with respect to the 423 Component, will comply with the requirement of Section 423(b)(5) of the Code that all Employees granted Purchase Rights will have the same rights and privileges. The terms and conditions of an Offering shall be incorporated by reference into the Plan and treated as part of the Plan. The provisions of separate Offerings need not be identical, but each Offering will include (through incorporation of the provisions of this Plan by reference in the document comprising the Offering or otherwise) the period during which the Offering will be effective, which period will not exceed 27 months beginning with the Offering Date, and the substance of the provisions contained in Sections 5 through 8, inclusive.

(b) If a Participant has more than one Purchase Right outstanding under the Plan, unless he or she otherwise indicates in forms delivered to the Company or a third party designated by the Company (each, a "***Company Designee***"): (i) each form will apply to all of his or her Purchase Rights under the Plan, and (ii) a Purchase Right with a lower exercise price (or an earlier-granted Purchase Right, if different Purchase Rights have identical exercise prices) will be exercised to the fullest possible extent before a Purchase Right with a higher exercise price (or a later-granted Purchase Right if different Purchase Rights have identical exercise prices) will be exercised.

(c) The Board will have the discretion to structure an Offering so that if the Fair Market Value of a share of Common Stock on the first Trading Day of a new Purchase Period within that Offering is less than or equal to the Fair Market Value of a share of Common Stock on the Offering Date for that Offering, then (i) that Offering will terminate immediately as of that first Trading Day, and (ii) the Participants in such terminated Offering will be automatically enrolled in a new Offering beginning on the first Trading Day of such new Purchase Period.

5. ELIGIBILITY.

(a) Purchase Rights may be granted only to Employees of the Company or, as the Board may designate in accordance with Section 2(b), to Employees of a Related Corporation or an Affiliate. Except as provided in Section 5(b) or as required by Applicable Law, an Employee will not be eligible to be granted

Purchase Rights unless, on the Offering Date, the Employee has been in the employ of the Company, the Related Corporation or the Affiliate, as the case may be, for such continuous period preceding such Offering Date as the Board may (unless prohibited by Applicable Law) require, but in no event will the required period of continuous employment be equal to or greater than two years. In addition, the Board may provide that no Employee will be eligible to be granted Purchase Rights under the Plan unless, on the Offering Date, such Employee's customary employment with the Company, the Related Corporation or the Affiliate is more than 20 hours per week and more than five months per calendar year or such other criteria as the Board may determine consistent with Section 423 of the Code with respect to the 423 Component. The Board may also exclude from participation in the Plan or any Offering Employees who are "highly compensated employees" (within the meaning of Section 423(b)(4)(D) of the Code) of the Company or a Related Corporation or a subset of such highly compensated employees.

(b) The Board may provide that each person who, during the course of an Offering, first becomes an Eligible Employee will, on a date or dates specified in the Offering which coincides with the day on which such person becomes an Eligible Employee or which occurs thereafter, receive a Purchase Right under that Offering, which Purchase Right will thereafter be deemed to be a part of that Offering. Such Purchase Right will have the same characteristics as any Purchase Rights originally granted under that Offering, as described herein, except that:

(i) the date on which such Purchase Right is granted will be the "Offering Date" of such Purchase Right for all purposes, including determination of the exercise price of such Purchase Right;

(ii) the period of the Offering with respect to such Purchase Right will begin on its Offering Date and end coincident with the end of such Offering; and

(iii) the Board may provide that if such person first becomes an Eligible Employee within a specified period of time before the end of the Offering, he or she will not receive any Purchase Right under that Offering.

(c) No Employee will be eligible for the grant of any Purchase Rights under the 423 Component if, immediately after any such Purchase Rights are granted, such Employee owns stock possessing five percent or more of the total combined voting power or value of all classes of stock of the Company or of any Related Corporation. For purposes of this Section 5(c), the rules of Section 424(d) of the Code will apply in determining the stock ownership of any Employee, and stock which such Employee may purchase under all outstanding Purchase Rights and options will be treated as stock owned by such Employee.

(d) As specified by Section 423(b)(8) of the Code, an Eligible Employee may be granted Purchase Rights under the 423 Component only if such Purchase Rights, together with any other rights granted under all Employee Stock Purchase Plans of the Company and any Related Corporations, do not permit such Eligible Employee's rights to purchase stock of the Company or any Related Corporation to accrue at a rate which, when aggregated, exceeds $25,000 of Fair Market Value of such stock (determined at the time such rights are granted, and which, with respect to the Plan, will be determined as of their respective Offering Dates) for each calendar year in which such rights are outstanding at any time.

(e) Officers of the Company and any Designated Company, if they are otherwise Eligible Employees, will be eligible to participate in Offerings under the Plan. Notwithstanding the foregoing, the Board may (unless prohibited by Applicable Law) provide in an Offering that Employees who are highly compensated Employees within the meaning of Section 423(b)(4)(D) of the Code will not be eligible to participate.

(f) Notwithstanding anything in this Section 5 to the contrary, in the case of an Offering under the Non-423 Component, an Eligible Employee (or group of Eligible Employees) may be excluded from participation in the Plan or an Offering if the Board has determined, in its sole discretion, that participation of such Eligible Employee(s) is not advisable or practical for any reason.

6. PURCHASE RIGHTS; PURCHASE PRICE.

(a) On each Offering Date, each Eligible Employee, pursuant to an Offering made under the Plan, will be granted a Purchase Right to purchase up to that number of shares of Common Stock purchasable either with a percentage of earnings or with a maximum dollar amount, as designated by the Board during the period that begins on the Offering Date (or such later date as the Board determines for a particular Offering) and ends on the date stated in the Offering, which date will be no later than the end of the Offering.

(b) The Board will establish one or more Purchase Dates during an Offering on which Purchase Rights granted for that Offering will be exercised and shares of Common Stock will be purchased in accordance with such Offering.

(c) In connection with each Offering made under the Plan, the Board may specify (i) a maximum number of shares of Common Stock that may be purchased by any Participant on any Purchase Date during such Offering, (ii) a maximum aggregate number of shares of Common Stock that may be purchased by all Participants pursuant to such Offering and/or (iii) a maximum aggregate number of shares of Common Stock that may be purchased by all Participants on any Purchase Date under the Offering. If the aggregate purchase of shares of Common Stock issuable upon exercise of Purchase Rights granted under the Offering would exceed any such maximum aggregate number, then, in the absence of any Board action otherwise, a pro rata (based on each Participant's accumulated Contributions) allocation of the shares of Common Stock (rounded down to the nearest whole share) available will be made in as nearly a uniform manner as will be practicable and equitable.

(d) The purchase price of shares of Common Stock acquired pursuant to Purchase Rights will be specified by the Board prior to commencement of an Offering and will not be less than the lesser of:

(i) an amount equal to 85% of the Fair Market Value of the shares of Common Stock on the Offering Date; or

(ii) an amount equal to 85% of the Fair Market Value of the shares of Common Stock on the applicable Purchase Date.

7. PARTICIPATION; WITHDRAWAL; TERMINATION.

(a) An Eligible Employee may elect to participate in an Offering and authorize payroll deductions as the means of making Contributions by completing and delivering to the Company or a Company Designee, within the time specified in the Offering, an enrollment form provided by the Company or Company Designee. The enrollment form will specify the amount of Contributions not to exceed the maximum amount specified by the Board. Each Participant's Contributions will be credited to a bookkeeping account for such Participant under the Plan and will be deposited with the general funds of the Company except where Applicable Law requires that Contributions be deposited with a third party. If permitted in the Offering, a Participant may begin such Contributions with the first payroll occurring on or after the Offering Date (or, in the case of a payroll date that occurs after the end of the prior Offering but before the Offering Date of the next new Offering, Contributions from such payroll will be included in the new Offering). If permitted in the Offering, a Participant may thereafter reduce (including to zero) or

increase his or her Contributions. If required under Applicable Law or if specifically provided in the Offering and to the extent permitted by Section 423 of the Code with respect to the 423 Component, in addition to or instead of making Contributions by payroll deductions, a Participant may make Contributions through payment by cash, check or wire transfer prior to a Purchase Date.

(b) During an Offering, a Participant may cease making Contributions and withdraw from the Offering by delivering to the Company or a Company Designee a withdrawal form provided by the Company. The Company may impose a deadline before a Purchase Date for withdrawing. Upon such withdrawal, such Participant's Purchase Right in that Offering will immediately terminate and the Company will distribute as soon as practicable to such Participant all of his or her accumulated but unused Contributions and such Participant's Purchase Right in that Offering shall thereupon terminate. A Participant's withdrawal from that Offering will have no effect upon his or her eligibility to participate in any other Offerings under the Plan, but such Participant will be required to deliver a new enrollment form to participate in subsequent Offerings.

(c) Unless otherwise required by Applicable Law, Purchase Rights granted pursuant to any Offering under the Plan will terminate immediately if the Participant either (i) is no longer an Employee for any reason or for no reason (subject to any post-employment participation period required by Applicable Law) or (ii) is otherwise no longer eligible to participate. The Company will distribute as soon as practicable to such individual all of his or her accumulated but unused Contributions.

(d) Unless otherwise determined by the Board, a Participant whose employment transfers or whose employment terminates with an immediate rehire (with no break in service) by or between the Company and a Designated Company or between Designated Companies will not be treated as having terminated employment for purposes of participating in the Plan or an Offering; however, if a Participant transfers from an Offering under the 423 Component to an Offering under the Non-423 Component, the exercise of the Participant's Purchase Right will be qualified under the 423 Component only to the extent such exercise complies with Section 423 of the Code. If a Participant transfers from an Offering under the Non-423 Component to an Offering under the 423 Component, the exercise of the Purchase Right will remain non-qualified under the Non-423 Component. The Board may establish different and additional rules governing transfers between separate Offerings within the 423 Component and between Offerings under the 423 Component and Offerings under the Non-423 Component.

(e) During a Participant's lifetime, Purchase Rights will be exercisable only by such Participant. Purchase Rights are not transferable by a Participant, except by will, by the laws of descent and distribution, or, if permitted by the Company, by a beneficiary designation as described in Section 10.

(f) Unless otherwise specified in the Offering or as required by Applicable Law, the Company will have no obligation to pay interest on Contributions.

8. EXERCISE OF PURCHASE RIGHTS.

(a) On each Purchase Date, each Participant's accumulated Contributions will be applied to the purchase of shares of Common Stock, up to the maximum number of shares of Common Stock permitted by the Plan and the applicable Offering, at the purchase price specified in the Offering. No fractional shares will be issued unless specifically provided for in the Offering.

(b) Unless otherwise provided in the Offering, if any amount of accumulated Contributions remains in a Participant's account after the purchase of shares of Common Stock and such remaining amount is less than the amount required to purchase one share of Common Stock on the final Purchase Date of an Offering, then such remaining amount will be held in such Participant's account for the purchase of

shares of Common Stock under the next Offering under the Plan, unless such Participant withdraws from or is not eligible to participate in such next Offering, in which case such amount will be distributed to such Participant after the final Purchase Date without interest (unless the payment of interest is otherwise required by Applicable Law). If the amount of Contributions remaining in a Participant's account after the purchase of shares of Common Stock is at least equal to the amount required to purchase one (1) whole share of Common Stock on the final Purchase Date of an Offering, then such remaining amount will be distributed in full to such Participant after the final Purchase Date of such Offering without interest (unless otherwise required by Applicable Law).

(c) No Purchase Rights may be exercised to any extent unless the shares of Common Stock to be issued upon such exercise under the Plan are covered by an effective registration statement pursuant to the Securities Act and the Plan is in material compliance with all applicable U.S. federal and state, foreign and other securities, exchange control and other laws applicable to the Plan. If on a Purchase Date the shares of Common Stock are not so registered or the Plan is not in such compliance, no Purchase Rights will be exercised on such Purchase Date, and, subject to Section 423 of the Code with respect to the 423 Component, the Purchase Date will be delayed until the shares of Common Stock are subject to such an effective registration statement and the Plan is in material compliance, except that the Purchase Date will in no event be more than 27 months from the Offering Date. If, on the Purchase Date, as delayed to the maximum extent permissible, the shares of Common Stock are not registered and the Plan is not in material compliance with all Applicable Laws, as determined by the Company in its sole discretion, no Purchase Rights will be exercised and all accumulated but unused Contributions will be distributed to the Participants without interest (unless the payment of interest is otherwise required by Applicable Law).

9. COVENANTS OF THE COMPANY.

The Company will seek to obtain from each U.S. federal or state, foreign or other regulatory commission, agency or other Governmental Body having jurisdiction over the Plan such authority as may be required to grant Purchase Rights and issue and sell shares of Common Stock thereunder unless the Company determines, in its sole discretion, that doing so is not practical or would cause the Company to incur costs that are unreasonable. If, after commercially reasonable efforts, the Company is unable to obtain the authority that counsel for the Company deems necessary for the grant of Purchase Rights or the lawful issuance and sale of Common Stock under the Plan, and at a commercially reasonable cost, the Company will be relieved from any liability for failure to grant Purchase Rights and/or to issue and sell Common Stock upon exercise of such Purchase Rights.

10. DESIGNATION OF BENEFICIARY.

(a) The Company may, but is not obligated to, permit a Participant to submit a form designating a beneficiary who will receive any shares of Common Stock and/or Contributions from the Participant's account under the Plan if the Participant dies before such shares and/or Contributions are delivered to the Participant. The Company may, but is not obligated to, permit the Participant to change such designation of beneficiary. Any such designation and/or change must be on a form approved by the Company.

(b) If a Participant dies, and in the absence of a valid beneficiary designation, the Company will deliver any shares of Common Stock and/or Contributions to the executor or administrator of the estate of the Participant. If no executor or administrator has been appointed (to the knowledge of the Company), the Company, in its sole discretion, may deliver such shares of Common Stock and/or Contributions, without interest (unless the payment of interest is otherwise required by Applicable Law), to the Participant's spouse, dependents or relatives, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

11. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; CORPORATE TRANSACTIONS.

(a) In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities by which the share reserve is to increase automatically each year pursuant to Section 3(a), (iii) the class(es) and number of securities subject to, and the purchase price applicable to outstanding Offerings and Purchase Rights, and (iv) the class(es) and number of securities that are the subject of the purchase limits under each ongoing Offering. The Board will make these adjustments, and its determination will be final, binding and conclusive.

(b) In the event of a Corporate Transaction, then: (i) any surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) may assume or continue outstanding Purchase Rights or may substitute similar rights (including a right to acquire the same consideration paid to the stockholders in the Corporate Transaction) for outstanding Purchase Rights, or (ii) if any surviving or acquiring corporation (or its parent company) does not assume or continue such Purchase Rights or does not substitute similar rights for such Purchase Rights, then the Participants' accumulated Contributions will be used to purchase shares of Common Stock (rounded down to the nearest whole share) within ten business days (or such other period specified by the Board) prior to the Corporate Transaction under the outstanding Purchase Rights, and the Purchase Rights will terminate immediately after such purchase.

12. AMENDMENT, TERMINATION OR SUSPENSION OF THE PLAN.

(a) The Board may amend the Plan at any time in any respect the Board deems necessary or advisable. However, except as provided in Section 11(a) relating to Capitalization Adjustments, stockholder approval will be required for any amendment of the Plan for which stockholder approval is required by Applicable Law.

(b) The Board may suspend or terminate the Plan at any time. No Purchase Rights may be granted under the Plan while the Plan is suspended or after it is terminated.

(c) Any benefits, privileges, entitlements and obligations under any outstanding Purchase Rights granted before an amendment, suspension or termination of the Plan will not be materially impaired by any such amendment, suspension or termination except (i) with the consent of the person to whom such Purchase Rights were granted, (ii) as necessary to facilitate compliance with any laws, listing requirements, or governmental regulations (including, without limitation, the provisions of Section 423 of the Code and the regulations and other interpretive guidance issued thereunder relating to Employee Stock Purchase Plans) including without limitation any such regulations or other guidance that may be issued or amended after the date the Plan is adopted by the Board, or (iii) as necessary to obtain or maintain favorable tax, listing, or regulatory treatment. To be clear, the Board may amend outstanding Purchase Rights without a Participant's consent if such amendment is necessary to ensure that the Purchase Right and/or the Plan complies with the requirements of Section 423 of the Code with respect to the 423 Component or with respect to other Applicable Laws. Notwithstanding anything in the Plan or any Offering Document to the contrary, the Board will be entitled to: (i) establish the exchange ratio applicable to amounts withheld in a currency other than U.S. dollars; (ii) permit Contributions in excess of the amount designated by a Participant in order to adjust for mistakes in the Company's processing of properly completed Contribution elections; (iii) establish reasonable waiting and adjustment periods and/or accounting and crediting procedures to ensure that amounts applied toward the purchase of Common Stock for each Participant properly correspond with amounts withheld from the Participant's Contributions; (iv) amend any outstanding Purchase Rights or clarify any ambiguities regarding the terms of any Offering to enable the Purchase Rights to qualify under and/or comply with Section 423 of the Code with respect to the 423

Component; and (v) establish other limitations or procedures as the Board determines in its sole discretion advisable that are consistent with the Plan. The actions of the Board pursuant to this paragraph will not be considered to alter or impair any Purchase Rights granted under an Offering as they are part of the initial terms of each Offering and the Purchase Rights granted under each Offering.

13. TAX QUALIFICATION; TAX WITHHOLDING.

(a) Although the Company may endeavor to (i) qualify a Purchase Right for special tax treatment under the laws of the United States or jurisdictions outside of the United States or (ii) avoid adverse tax treatment, the Company makes no representation to that effect and expressly disavows any covenant to maintain special or to avoid unfavorable tax treatment, notwithstanding anything to the contrary in this Plan. The Company will be unconstrained in its corporate activities without regard to the potential negative tax impact on Participants.

(b) Each Participant will make arrangements, satisfactory to the Company and any applicable Related Corporation, to enable the Company or the Related Corporation to fulfill any withholding obligation for Tax-Related Items. Without limitation to the foregoing, in the Company's sole discretion and subject to Applicable Law, such withholding obligation may be satisfied in whole or in part by (i) withholding from the Participant's salary or any other cash payment due to the Participant from the Company or a Related Corporation; (ii) withholding from the proceeds of the sale of shares of Common Stock acquired under the Plan, either through a voluntary sale or a mandatory sale arranged by the Company; or (iii) any other method deemed acceptable by the Board. The Company shall not be required to issue any shares of Common Stock under the Plan until such obligations are satisfied.

(c) The 423 Component is exempt from the application of Section 409A of the Code, and any ambiguities herein shall be interpreted to so be exempt from Section 409A of the Code. The Non-423 Component is intended to be exempt from the application of Section 409A of the Code under the short-term deferral exception and any ambiguities shall be construed and interpreted in accordance with such intent. In furtherance of the foregoing and notwithstanding any provision in the Plan to the contrary, if the Committee determines that an option granted under the Plan may be subject to Section 409A of the Code or that any provision in the Plan would cause an option under the Plan to be subject to Section 409A, the Committee may amend the terms of the Plan and/or of an outstanding option granted under the Plan, or take such other action the Committee determines is necessary or appropriate, in each case, without the participant's consent, to exempt any outstanding option or future option that may be granted under the Plan from or to allow any such options to comply with Section 409A of the Code, but only to the extent any such amendments or action by the Committee would not violate Section 409A of the Code. Notwithstanding the foregoing, the Company shall have no liability to a participant or any other party if the option under the Plan that is intended to be exempt from or compliant with Section 409A of the Code is not so exempt or compliant or for any action taken by the Committee with respect thereto.

14. EFFECTIVE DATE OF PLAN.

The Plan will become effective immediately prior to and contingent upon the IPO Date. No Purchase Rights will be exercised unless and until the Plan has been approved by the stockholders of the Company, which approval must be within 12 months before or after the date the Plan is adopted (or if required under Section 12(a) above, materially amended) by the Board.

15. MISCELLANEOUS PROVISIONS.

(a) Proceeds from the sale of shares of Common Stock pursuant to Purchase Rights will constitute general funds of the Company.

(b) A Participant will not be deemed to be the holder of, or to have any of the rights of a holder with respect to, shares of Common Stock subject to Purchase Rights unless and until the Participant's shares of Common Stock acquired upon exercise of Purchase Rights are recorded in the books of the Company (or its transfer agent).

(c) The Plan and Offering do not constitute an employment contract. Nothing in the Plan or in the Offering will in any way alter the at will nature of a Participant's employment or amend a Participant's employment contract, if applicable, or be deemed to create in any way whatsoever any obligation on the part of any Participant to continue in the employ of the Company or a Related Corporation or an Affiliate, or on the part of the Company, a Related Corporation or an Affiliate to continue the employment of a Participant.

(d) The provisions of the Plan will be governed by the laws of the State of Delaware without resort to that state's conflicts of laws rules.

(e) If any particular provision of the Plan is found to be invalid or otherwise unenforceable, such provision will not affect the other provisions of the Plan, but the Plan will be construed in all respects as if such invalid provision were omitted.

(f) If any provision of the Plan does not comply with Applicable Law, such provision shall be construed in such a manner as to comply with Applicable Law.

16. DEFINITIONS.

As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) "***423 Component***" means the part of the Plan, which excludes the Non-423 Component, pursuant to which Purchase Rights that satisfy the requirements for an Employee Stock Purchase Plan may be granted to Eligible Employees.

(b) "***Affiliate***" means any entity, other than a Related Corporation, whether now or subsequently established, which is at the time of determination, a "parent" or "subsidiary" of the Company as such terms are defined in Rule 405 promulgated under the Securities Act. The Board may determine the time or times at which "parent" or "subsidiary" status is determined within the foregoing definition.

(c) "***Applicable Law***" means shall mean the Code and any applicable securities, federal, state, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body (or under the authority of the New York Stock Exchange, NASDAQ Stock Market or the Financial Industry Regulatory Authority).

(d) "***Board***" means the Board of Directors of the Company.

(e) "***Capitalization Adjustment***" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Purchase Right after the date the Plan is adopted by the Board without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or other similar equity restructuring transaction, as that term is used in Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

(f) "***Code***" means the U.S. Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(g) "***Combined Common Stock***" means the common stock of the Company of all classes.

(h) "***Committee***" means a committee of one or more members of the Board to whom authority has been delegated by the Board in accordance with Section 2(c).

(i) "***Common Stock***" means the Class A common stock of the Company.

(j) "***Company***" means Rani Therapeutics Holdings, Inc., a Delaware corporation.

(k) ***"Contributions***" means the payroll deductions and other additional payments specifically provided for in the Offering that a Participant contributes to fund the exercise of a Purchase Right. A Participant may make additional payments into his or her account if specifically provided for in the Offering, and then only if the Participant has not already had the maximum permitted amount withheld during the Offering through payroll deductions and, with respect to the 423 Component, to the extent permitted by Section 423.

(l) "***Corporate Transaction***" means the consummation, in a single transaction or in a series of related transactions, of any one or more of the following events:

(i) a sale or other disposition of all or substantially all, as determined by the Board in its sole discretion, of the consolidated assets of the Company and its subsidiaries;

(ii) a sale or other disposition of more than 50% of the outstanding securities of the Company;

(iii) a merger, consolidation or similar transaction following which the Company is not the surviving corporation; or

(iv) a merger, consolidation or similar transaction following which the Company is the surviving corporation but the shares of Common Stock outstanding immediately preceding the merger, consolidation or similar transaction are converted or exchanged by virtue of the merger, consolidation or similar transaction into other property, whether in the form of securities, cash or otherwise.

(m) "***Designated 423 Company***" means any Related Corporation selected by the Board as participating in the 423 Component.

(n) "***Designated Company***" means any Designated Non-423 Corporation or Designated 423 Company, provided, however, that at any given time, a Related Corporation participating in the 423 Component shall not be a Related Corporation participating in the Non-423 Component.

(o) "***Designated Non-423 Company***" means any Related Corporation or Affiliate selected by the Board as participating in the Non-423 Component.

(p) "***Director***" means a member of the Board.

(q) "***Eligible Employee***" means an Employee who meets the requirements set forth in the document(s) governing the Offering for eligibility to participate in the Offering, provided that such Employee also meets the requirements for eligibility to participate set forth in the Plan.

(r) "***Employee***" means any person, including an Officer or Director, who is "employed" for purposes of Section 423(b)(4) of the Code by the Company or a Related Corporation or solely with respect to the Non-423 Component, an Affiliate. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an "Employee" for purposes of the Plan.

(s) "***Employee Stock Purchase Plan***" means a plan that grants Purchase Rights intended to be options issued under an "employee stock purchase plan," as that term is defined in Section 423(b) of the Code.

(t) "***Exchange Act***" means the U.S. Securities Exchange Act of 1934, as amended and the rules and regulations promulgated thereunder.

(u) "***Fair Market Value***" means, as of any date, the value of the Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value of a share of Common Stock will be, unless otherwise determined by the Board, the **closing sales price** for such stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) **on the date of determination**, as reported in such source as the Board deems reliable. Unless otherwise provided by the Board, if there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value will be the closing sales price on the last preceding date for which such quotation exists.

(ii) In the absence of such markets for the Common Stock, the Fair Market Value will be determined by the Board in good faith in compliance with Applicable Laws and regulations and, to the extent applicable as determined in the sole discretion of the Board, in a manner that complies with Sections 409A of the Code

(iii) Notwithstanding the foregoing, for any Offering that commences on the IPO Date, the Fair Market Value of the shares of Common Stock on the Offering Date will be the price per share at which shares are first sold to the public in the Company's initial public offering as specified in the final prospectus for that initial public offering.

(v) "***Governmental Body***" means any: (a) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or regulatory body, or quasi-governmental body of any nature (including any governmental division, department, administrative agency or bureau, commission, authority, instrumentality, official, ministry, fund, foundation, center, organization, unit, body or entity and any court or other tribunal, and for the avoidance of doubt, any tax authority) or other body exercising similar powers or authority; or (d) self-regulatory organization (including the New York Stock Exchange, the NASDAQ Stock Market and the Financial Industry Regulatory Authority).

(w) "***IPO Date***" means the date of the underwriting agreement between the Company and the underwriter(s) managing the initial public offering of the Common Stock, pursuant to which the Common Stock is priced for the initial public offering.

(x) "Non-423 Component" means the part of the Plan, which excludes the 423 Component, pursuant to which Purchase Rights that are not intended to satisfy the requirements for an Employee Stock Purchase Plan may be granted to Eligible Employees.

(y) "***Offering***" means the grant to Eligible Employees of Purchase Rights, with the exercise of those Purchase Rights automatically occurring at the end of one or more Purchase Periods. The terms and conditions of an Offering will generally be set forth in the "***Offering Document***" approved by the Board for that Offering.

(z) "***Offering Date***" means a date selected by the Board for an Offering to commence.

(aa) "***Officer***" means a person who is an officer of the Company or a Related Corporation within the meaning of Section 16 of the Exchange Act.

(bb) "***Participant***" means an Eligible Employee who holds an outstanding Purchase Right.

(cc) "***Plan***" means this Rani Therapeutics Holdings, Inc. 2021 Employee Stock Purchase Plan, as amended from time to time, including both the 423 Component and the Non-423 Component.

(dd) "***Purchase Date***" means one or more dates during an Offering selected by the Board on which Purchase Rights will be exercised and on which purchases of shares of Common Stock will be carried out in accordance with such Offering.

(ee) "***Purchase Period***" means a period of time specified within an Offering, generally beginning on the Offering Date or on the first Trading Day following a Purchase Date, and ending on a Purchase Date. An Offering may consist of one or more Purchase Periods.

(ff) "***Purchase Right***" means an option to purchase shares of Common Stock granted pursuant to the Plan.

(gg) "***Related Corporation***" means any "parent corporation" or "subsidiary corporation" of the Company whether now or subsequently established, as those terms are defined in Sections 424(e) and (f), respectively, of the Code.

(hh) "***Securities Act***" means the U.S. Securities Act of 1933, as amended.

(ii) "***Tax-Related Items***" means any income tax, social insurance, payroll tax, fringe benefit tax, payment on account or other tax-related items arising out of or in relation to a Participant's participation in the Plan, including, but not limited to, the exercise of a Purchase Right and the receipt of shares of Common Stock or the sale or other disposition of shares of Common Stock acquired under the Plan.

(jj) "***Trading Day***" means any day on which the exchange(s) or market(s) on which shares of Common Stock are listed, including but not limited to the New York Stock Exchange, Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market or any successors thereto, is open for trading.

RANI THERAPEUTICS HOLDINGS, INC.
SEVERANCE AND CHANGE IN CONTROL PLAN

Section 1. INTRODUCTION.

The Rani Therapeutics Holdings, Inc. Severance and Change in Control Plan (the "***Plan***") is hereby established by the Board of Directors of Rani Therapeutics Holdings, Inc. (the "***Company***") effective upon the IPO Date (as defined below). The purpose of the Plan is to provide for the payment of severance and/or Change in Control (as defined below) benefits to eligible employees of the Company Group (as defined below). This Plan document also is the Summary Plan Description for the Plan.

For purposes of the Plan, the following terms are defined as follows:

(a) "***Affiliate***" means, at the time of determination, any "parent" or "subsidiary" of the Company as such terms are defined in Rule 405 promulgated under the Securities Act. The Board of Directors of the Company may determine the time or times at which "parent" or "subsidiary" status is determined within the foregoing definition.

(b) "***Base Salary***" means base pay (excluding incentive pay, premium pay, commissions, overtime, bonuses and other forms of variable compensation) as in effect prior to any reduction that would give rise to an employee's right to a resignation for Good Reason (if applicable).

(c) "***Cause***" means, with respect to a particular employee, the meaning ascribed to such term in any written employment agreement, offer letter or similar agreement between such employee and the Company Group defining such term, and, in the absence of such agreement, means with respect to such employee, the term "Cause" as defined in the Equity Plan. The determination whether a termination is for Cause shall be made by the Plan Administrator in its sole and exclusive judgment and discretion.

(d) "***Change in Control***" has the meaning ascribed to such term in the Equity Plan.

(e) "***Change in Control Period***" means the period commencing three months prior to the Closing of a Change in Control and ending 12 months following the Closing of a Change in Control.

(f) "***Closing***" means the initial closing of the Change in Control as defined in the definitive agreement executed in connection with the Change in Control. In the case of a series of transactions constituting a Change in Control, "Closing" means the first closing that satisfies the threshold of the definition for a Change in Control.

(g) "***Code***" means the Internal Revenue Code of 1986, as amended, including any applicable regulations and guidance thereunder.

(h) "***Committee***" means the Board of Directors or the Compensation Committee of the Board of Directors of the Company.

(i) "***Company***" means Rani Therapeutics Holdings, Inc. or, following a Change in Control, the surviving entity resulting from such event.

(j) "***Company Group***" means the Company and its Affiliates.

(k) "***Confidentiality Agreement***" means the Company Group's standard form of Employee Confidential Information and Inventions Assignment Agreement or any similar or successor document.

(l) "***Covered Termination***" means, with respect to an employee, a termination of employment that is due to (1) a termination by the Company Group without Cause (and other than as a result of the employee's death or Disability) or (2) the employee's resignation for Good Reason, and in either case of (1) or (2), results in such employee's Separation from Service.

(m) "***Disability***" means any physical or mental condition which renders an employee incapable of performing the work for which he or she was employed by the Company or similar work offered by the Company Group. The Disability of an employee shall be established if (i) the employee satisfies the requirements for benefits under the Company Group's long-term disability plan or (ii) if no long-term disability plan, the employee satisfies the requirements for Social Security disability benefits.

(n) "***Eligible Employee***" means an employee of the Company Group that meets the requirements to be eligible to receive Plan benefits as set forth in Section 2.

(o) "***Equity Plan***" means the Rani Therapeutics Holdings, Inc. 2021 Equity Incentive Plan, as amended from time to time, or any successor plan thereto.

(p) "***Good Reason***" for an employee's resignation has such meaning, with respect to a particular employee, as is ascribed to such term in any written employment agreement, offer letter or similar agreement between such employee and the Company Group defining such term, and, in the absence of such agreement, means the undertaking of any of the following by the Company Group without the employee's written consent:

(1) a material reduction in a such employee's base salary (unless pursuant to a salary reduction program affecting substantially all of the similarly situated employees of the Company Group and that does not adversely affect the employee to a greater extent than other similarly situated employees);

(2) a material diminution of the employee's authority, duties or responsibilities;

(3) a relocation of such employee's principal place of employment with the Company Group (or successor to the Company, if applicable) to a place that increases such employee's one-way commute by more than 50 miles as compared to such employee's then-current principal place of employment immediately prior to such relocation (excluding regular travel in the ordinary course of business); provided that (i) if such employee's principal place of employment is his or her personal residence, this clause (3) shall not apply and (ii) if the employee works remotely during any period in which such employee's regular principal office location is a Company Group office that is closed, then neither the employee's relocation to remote work or back to the office from remote work will be considered a relocation of such employee's principal office location for purposes of this definition; or

(4) a material breach by the Company Group of any provision of this Plan or any other material agreement between such employee and the Company Group concerning the terms and conditions of such employee's employment with the Company Group.

Notwithstanding the foregoing, in order for the employee's resignation to be deemed to have been for Good Reason, the employee must (a) provide written notice to the Company Group of such employee's intent to resign for Good Reason within 30 days after the first occurrence of the event giving rise to Good Reason, which notice shall describe the event(s) the employee believes give rise to Good Reason; (b) allow the Company Group at least 30 days from receipt of the written notice to cure the event (such period, the "***Cure Period***"), and (c) if the event is not reasonably cured within the Cure Period, the employee's resignation from all positions held with the Company Group is effective not later than 30 days after the expiration of the Cure Period.

(q) "***IPO Date***" means the date of the underwriting agreement between the Company and the underwriter(s) managing the initial public offering of the Company's Class A common stock, pursuant to which the Class A common stock is priced for the initial public offering.

(r) "***Participation Agreement***" means an agreement between an employee and the Company in substantially the form of **APPENDIX A** attached hereto, and which may include such other terms as the Committee deems necessary or advisable in the administration of the Plan.

(s) "***Plan Administrator***" means the Committee prior to the Closing and the Representative upon and following the Closing, as applicable.

(t) "***Representative***" means one or more members of the Committee or other persons or entities designated by the Committee prior to or in connection with a Change in Control that will have authority to administer and interpret the Plan upon and following the Closing as provided in Section 9(a).

(u) "***Section 409A***" means Section 409A of the Code and the treasury regulations and other guidance thereunder and any state law of similar effect.

(v) "***Separation from Service***" means a "separation from service" within the meaning of Treasury Regulations Section 1.409A-1(h), without regard to any alternative definition thereunder.

Section 2. ELIGIBILITY FOR BENEFITS.

(a) Eligible Employee. An employee of the Company Group is eligible to participate in the Plan if (i) the Plan Administrator has designated such employee as eligible to participate in the Plan by providing such employee a Participation Agreement; (ii) such employee has signed and returned such Participation Agreement to the Company Group within the time period required therein; and (iii) such employee meets the other Plan eligibility requirements set forth in this Section 2. The determination of whether an employee is an Eligible Employee shall be made by the Plan Administrator, in its sole discretion, and such determination shall be binding and conclusive on all persons.

(b) Release Requirement. Except as otherwise provided in an individual Participation Agreement, in order to be eligible to receive benefits under the Plan, the employee also must execute a general waiver and release, in such a form as provided by the Company (the "***Release***"), within the applicable time period set forth therein, and such Release must become effective in accordance with its terms, which must occur in no event more than 60 days following the date of the applicable Covered Termination.

(c) Plan Benefits Provided In Lieu of Any Previous Benefits. Except as otherwise provided in an individual Participation Agreement, this Plan shall supersede any change in control or severance benefit plan, policy or practice previously maintained by the Company Group with respect to an Eligible Employee and any change in control or severance benefits in any individually negotiated employment contract or other agreement between the Company Group and an Eligible Employee. Notwithstanding the foregoing, the Eligible Employee's outstanding equity awards shall remain subject to the terms of the Equity Plan or other applicable equity plan under which such awards were granted (including the award documentation governing such awards) that may apply upon a Change in Control and/or termination of such employee's service and no provision of this Plan shall be construed as to limit the actions that may be taken, or to violate the terms, thereunder.

(d) Exceptions to Severance Benefit Entitlement. An employee who otherwise is an Eligible Employee will not receive benefits under the Plan in the following circumstances, as determined by the Plan Administrator in its sole discretion:

(1) The employee is terminated by the Company Group for any reason (including due to the employee's death or Disability) or voluntarily terminates employment with the Company Group in any manner, and in either case, such termination does not constitute a Covered Termination. Voluntary terminations include, but are not limited to, resignation, retirement or failure to return from a leave of absence on the scheduled date.

(2) The employee voluntarily terminates employment with the Company Group in order to accept employment with another entity that is wholly or partly owned (directly or indirectly) by the Company Group.

(3) The employee is offered an identical or substantially equivalent or comparable position with the Company Group. For purposes of the foregoing, a "substantially equivalent or comparable position" is one that provides the employee substantially the same level of responsibility and compensation and would not give rise to the employee's right to a resignation for Good Reason.

(4) The employee is offered immediate reemployment by a successor to the Company or an Affiliate or by a purchaser of the Company's assets, as the case may be, following a Change in Control and the terms of such reemployment would not give rise to the employee's right to a resignation for Good Reason. For purposes of the foregoing, "immediate

reemployment" means that the employee's employment with the successor to the Company or an Affiliate or the purchaser of its assets, as the case may be, results in uninterrupted employment such that the employee does not incur a lapse in pay or benefits as a result of the change in ownership of the Company or the sale of its assets. An employee who becomes immediately reemployed as described in this Section 2(d)(4) by a successor to the Company or an Affiliate or by a purchaser of the Company's assets, as the case may be, following a Change in Control shall continue to be an Eligible Employee following the date of such reemployment.

(5) The employee is rehired by the Company Group and recommences employment prior to the date severance benefits under the Plan are scheduled to commence.

(e) Termination of Severance Benefits. An Eligible Employee's right to receive severance benefits under this Plan shall terminate immediately if, at any time prior to or during the period for which the Eligible Employee is receiving severance benefits under the Plan, the Eligible Employee

(1) willfully breaches any material statutory, common law, or contractual obligation to the Company Group (including, without limitation, the contractual obligations set forth in the Confidentiality Agreement and any other confidentiality, non-disclosure and developments agreement, non-competition, non-solicitation, or similar type agreement between the Eligible Employee and the Company Group, as applicable);

(2) fails to enter into the terms of the Confidentiality Agreement; or

(3) without the prior written approval of the Plan Administrator, engages in a Prohibited Action (as defined below). In addition, if benefits under the Plan have already been paid to the Eligible Employee and the Eligible Employee subsequently engages in a Prohibited Action during the Prohibited Period (or it is determined that the Eligible Employee engaged in a Prohibited Action prior to receipt of such benefits), any benefits previously paid to the Eligible Employee shall be subject to recoupment by the Company Group on such terms and conditions as shall be determined by the Plan Administrator, in its sole discretion. The "***Prohibited Period***" shall commence on the date of the Eligible Employee's Covered Termination and continue for the number of months corresponding to the Severance Period set forth in such Eligible Employee's Participation Agreement. A "***Prohibited Action***" shall occur if the Eligible Employee: (i) breaches a material provision of the Confidentiality Agreement and/or any obligations of confidentiality, non-solicitation, non-disparagement, no conflicts or non-competition set forth in the Eligible Employee's employment agreement, offer letter, any other written agreement between the Eligible Employee and the Company Group, or under applicable law; (ii) encourages or solicits any of the Company Group's then current employees to leave the Company Group's employ for any reason or interferes in any other manner with employment relationships at the time existing between the Company Group and its then current employees; or (iii) induces any of the Company Group's then current clients, customers, suppliers, vendors, distributors, licensors, licensees, or other third parties to terminate their existing business relationship with the Company Group or interferes in any other manner with any existing business relationship between the Company Group and any then current client, customer, supplier, vendor, distributor, licensor, licensee, or other third parties.

Section 3. AMOUNT OF BENEFITS.

(a) Benefits in Participation Agreement. Benefits under the Plan shall be provided to an Eligible Employee as set forth in the Participation Agreement.

(b) Additional Benefits. Notwithstanding the foregoing, the Committee may, in its sole discretion, provide benefits to individuals who are not Eligible Employees ("***Non-Eligible Employees***") chosen by the Plan Administrator, in its sole discretion, and the provision of any such benefits to a Non-Eligible Employee shall in no way obligate the Company Group to provide such benefits to any other individual, even if similarly situated. If benefits under the Plan are provided to a Non-Eligible Employee, references in the Plan to "Eligible Employee" (and similar references) shall be deemed to refer to such Non-Eligible Employee.

(c) Certain Reductions. In addition to Section 2(e) above, the Company, in its sole discretion, shall have the authority to reduce an Eligible Employee's severance benefits, in whole or in part, by any other severance benefits, pay and benefits provided during a period following written notice of a business closing or mass layoff, pay and benefits in lieu of such notice, or other similar benefits payable to the Eligible Employee by the Company Group that become payable in connection with the Eligible Employee's termination of employment pursuant to (i) any applicable legal requirement, including, without limitation, the Worker Adjustment and Retraining Notification Act or any other similar state law or (ii) any Company Group policy or practice providing for the Eligible Employee to remain on the payroll for a limited period of time after being given notice of the termination of the Eligible Employee's employment, and the Plan Administrator shall so construe and implement the terms of the Plan. Any such reductions that the Company determines to make pursuant to this Section 3(c) shall be made such that any severance benefit under the Plan shall be reduced solely by any similar type of benefit under such legal requirement, agreement, policy or practice (*i.e.*, any cash severance benefits under the Plan shall be reduced solely by any cash payments or severance benefits under such legal requirement, agreement, policy or practice). The Company's decision to apply such reductions to the severance benefits of one Eligible Employee and the amount of such reductions shall in no way obligate the Company to apply the same reductions in the same amounts to the severance benefits of any other Eligible Employee. In the Company's sole discretion, such reductions may be applied on a retroactive basis, with severance benefits previously paid being re-characterized as payments pursuant to the Company's statutory obligation.

(d) Parachute Payments. Except as otherwise provided in an individual Participation Agreement, if any payment or benefit an Eligible Employee will or may receive from the Company Group or otherwise (a "***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 Payment shall be equal to the Reduced Amount. The "***Reduced Amount***" shall 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 the Eligible 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 shall occur in the manner (the "***Reduction Method***") that results in the greatest economic benefit for the Eligible 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 any provisions in this Section above to the contrary, 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 that would not otherwise be subject to taxes pursuant to Section 409A, then the Reduction Method and/or the Pro Rata Reduction Method, as the case may be, shall be modified so as to avoid the imposition of taxes pursuant to Section 409A as follows: (A) as a first priority, the modification shall preserve to the greatest extent possible, the greatest economic benefit for the Eligible 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), shall 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 shall be reduced (or eliminated) before Payments that are not deferred compensation within the meaning of Section 409A.

The Company shall appoint a nationally recognized accounting or law firm to make the determinations required by this Section. The Company shall bear all expenses with respect to the determinations by such accounting or law firm required to be made hereunder. If the Eligible Employee receives a Payment for which the Reduced Amount was determined pursuant to clause (x) above and the Internal Revenue Service determines thereafter that some portion of the Payment is subject to the Excise Tax, Eligible Employee agrees to promptly return to the Company a sufficient amount of the Payment (after reduction pursuant to clause (x) above) so that no portion of the remaining Payment is subject to the Excise Tax. If the Reduced Amount was determined pursuant to clause (y) above, the Eligible Employee shall have no obligation to return any portion of the Payment pursuant to the preceding sentence.

Section 4. RETURN OF COMPANY PROPERTY.

An Eligible Employee will not be entitled to any severance benefit under the Plan unless and until the Eligible Employee returns all Company Property. For this purpose, "***Company Property***" means all paper and electronic Company Group documents (and all copies thereof) and other Company Group property which the Eligible Employee had in his or her possession or control at any time, including, but not limited to, Company Group files, notes, drawings, records, plans, forecasts, reports, studies, analyses, proposals, agreements, financial information, research and development information, sales and marketing information, operational and personnel information, specifications, code, software, databases, computer-recorded information, tangible property and equipment (including, but not limited to, computers, facsimile machines, mobile telephones, servers), credit cards, entry cards, identification badges and keys; and any materials of any kind which contain or embody any proprietary or confidential information of the Company Group (and all reproductions thereof in whole or in part). As a condition to receiving benefits under the Plan, an Eligible Employee must not make or retain copies, reproductions or summaries of any such Company Group documents, materials or property. However, an Eligible Employee is not required to return his or her personal copies of documents evidencing the Eligible Employee's hire, termination, compensation, benefits and stock options and any other documentation received as a stockholder of the Company.

Section 5. TIME OF PAYMENT AND FORM OF BENEFITS.

The Company reserves the right in the Participation Agreement to specify whether payments under the Plan will be paid in a single sum, in installments, or in any other form and to determine the timing of such payments. All such payments under the Plan will be subject to applicable withholding for federal, state, foreign, provincial and local taxes. All benefits provided under the Plan are intended to satisfy the requirements for an exemption from application of Section 409A to the maximum extent that an exemption is available and any ambiguities herein shall be interpreted accordingly; *provided, however*, that to the extent such an exemption is not available, the benefits provided under the Plan are intended to comply with the requirements of Section 409A to the extent necessary to avoid adverse personal tax consequences and any ambiguities herein shall be interpreted accordingly.

It is intended that (i) each installment of any benefits payable under the Plan to an Eligible Employee be regarded as a separate "payment" for purposes of Treasury Regulations Section 1.409A-2(b)(2)(i), (ii) all payments of any such benefits under the Plan satisfy, to the greatest extent possible, the exemptions from the application of Section 409A provided under Treasury Regulations Sections 1.409A-1(b)(4), 1.409A-1(b)(5) and 1.409A-1(b)(9)(iii), and (iii) any such benefits consisting of COBRA premiums also satisfy, to the greatest extent possible, the exemption from the application of Section 409A provided under Treasury Regulations Section 1.409A-1(b)(9)(v). However, if the Company determines that any severance benefits payable under the Plan constitute "deferred compensation" under Section 409A and the Eligible Employee is a "specified employee" of the Company, as such term is defined in Section 409A(a)(2)(B)(i), then, solely to the extent necessary to avoid the imposition of the adverse personal tax consequences under Section 409A, (A) the timing of such severance benefit payments shall be delayed until the earlier of (1) the date that is six months and one day after the Eligible Employee's Separation from Service and (2) the date of the Eligible Employee's death (such applicable date, the "***Delayed Initial Payment Date***"), and (B) the Company shall (1) pay the Eligible Employee a lump sum amount equal to the sum of the severance benefit payments that the Eligible Employee would otherwise have received through the Delayed Initial Payment Date if the commencement of the payment of the severance benefits had not been delayed pursuant to this paragraph and (2) commence paying the balance, if any, of the severance benefits in accordance with the applicable payment schedule.

In no event shall payment of any severance benefits under the Plan be made prior to an Eligible Employee's Separation from Service or prior to the effective date of the Release. If the Company determines that any severance payments or benefits provided under the Plan constitute "deferred compensation" under Section 409A, and the Eligible Employee's Separation from Service occurs at a time during the calendar year when the Release could become effective in the calendar year following the calendar year in which the Eligible Employee's Separation from Service occurs, then regardless of when the Release is returned to the Company and becomes effective, the Release will not be deemed effective, solely for purposes of the timing of payment of severance benefits under this Plan, any earlier than the latest permitted effective date

(the "***Release Deadline***"). If the Company determines that any severance payments or benefits provided under the Plan constitute "deferred compensation" under Section 409A, then except to the extent that severance payments may be delayed until the Delayed Initial Payment Date pursuant to the preceding paragraph, on the first regular payroll date following the effective date of an Eligible Employee's Release, the Company shall (1) pay the Eligible Employee a lump sum amount equal to the sum of the severance benefit payments that the Eligible Employee would otherwise have received through such payroll date but for the delay in payment related to the effectiveness of the Release and (2) commence paying the balance, if any, of the severance benefits in accordance with the applicable payment schedule.

Section 6. TRANSFER AND ASSIGNMENT.

The rights and obligations of an Eligible Employee under this Plan may not be transferred or assigned without the prior written consent of the Company. This Plan shall be binding upon any entity or person who is a successor by merger, acquisition, consolidation or otherwise to the business formerly carried on by the Company Group without regard to whether or not such entity or person actively assumes the obligations hereunder and without regard to whether or not a Change in Control occurs.

Section 7. MITIGATION.

Except as otherwise specifically provided in the Plan, an Eligible Employee will not be required to mitigate damages or the amount of any payment provided under the Plan by seeking other employment or otherwise, nor will the amount of any payment provided for under the Plan be reduced by any compensation earned by an Eligible Employee as a result of employment by another employer or any retirement benefits received by such Eligible Employee after the date of the Eligible Employee's termination of employment with the Company Group.

Section 8. CLAWBACK; RECOVERY.

All payments and severance benefits provided under the Plan will be subject to recoupment in accordance with any clawback policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law. In addition, the Plan Administrator may impose such other clawback, recovery or recoupment provisions as the Plan Administrator determines necessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of common stock of the Company or other cash or property upon the occurrence of a termination of employment for Cause. No recovery of compensation under such a clawback policy will be an event giving rise to a right to resign for Good Reason, constructive termination, or any similar term under any plan of or agreement with the Company Group.

Section 9. RIGHT TO INTERPRET AND ADMINISTER PLAN; AMENDMENT AND TERMINATION.

(a) Interpretation and Administration. Prior to the Closing, the Committee shall be the Plan Administrator and shall have the exclusive discretion and authority to establish rules, forms, and procedures for the administration of the Plan and to construe and interpret the Plan and to decide any and all questions of fact, interpretation, definition, computation or administration arising in connection with the operation of the Plan, including, but not limited to, the eligibility to participate in the Plan and amount of benefits paid under the Plan. The rules, interpretations, computations and other actions of the Committee shall be binding and conclusive on all persons. Upon and after the Closing, the Plan will be interpreted and administered in good faith by the Representative who shall be the Plan Administrator during such period. All actions taken by the Representative in interpreting the terms of the Plan and administering the Plan upon and after the Closing will be final and binding on all Eligible Employees. Any references in this Plan to the "Committee" or "Plan Administrator" with respect to periods following the Closing shall mean the Representative.

(b) Amendment. The Plan Administrator reserves the right to amend this Plan at any time; *provided, however,* that any amendment of the Plan will not be effective as to a particular employee who is or may be adversely impacted by such amendment or termination and has an effective Participation Agreement without the written consent of such employee.

(c) Termination. The Plan will remain in effect until terminated by the Plan Administrator. Any outstanding obligations under the Plan (if any) will remain outstanding following termination of the Plan until satisfied by the Company (or successor to the Company, if applicable).

Section 10. NO IMPLIED EMPLOYMENT CONTRACT.

The Plan shall not be deemed (i) to give any employee or other person any right to be retained in the employ of the Company Group or (ii) to interfere with the right of the Company Group to discharge any employee or other person at any time, with or without cause, which right is hereby reserved. This Plan does not modify the at-will employment status of any Eligible Employee.

Section 11. LEGAL CONSTRUCTION.

This Plan is intended to be governed by and shall be construed in accordance with the Employee Retirement Income Security Act of 1974 ("***ERISA***") and, to the extent not preempted by ERISA, the laws of the State of California.

Section 12. CLAIMS, INQUIRIES AND APPEALS.

(a) Applications for Benefits and Inquiries. Any application for benefits, inquiries about the Plan or inquiries about present or future rights under the Plan must be submitted to the Plan Administrator in writing by an applicant (or his or her authorized representative). The Plan Administrator is:

Rani Therapeutics Holdings, Inc.
Compensation Committee of the Board of Directors or Representative
Attention to: Corporate Secretary
2051 Ringwood Avenue
San Jose, California 95131

(b) Denial of Claims. In the event that any application for benefits is denied in whole or in part, the Plan Administrator must provide the applicant with written or electronic notice of the denial of the application, and of the applicant's right to review the denial. Any electronic notice will comply with the regulations of the U.S. Department of Labor. The notice of denial will be set forth in a manner designed to be understood by the applicant and will include the following:

(1) the specific reason or reasons for the denial;

(2) references to the specific Plan provisions upon which the denial is based;

(3) a description of any additional information or material that the Plan Administrator needs to complete the review and an explanation of why such information or material is necessary; and

(4) an explanation of the Plan's review procedures and the time limits applicable to such procedures, including a statement of the applicant's right to bring a civil action under Section 502(a) of ERISA following a denial on review of the claim, as described in Section 12(d) below.

This notice of denial will be given to the applicant within 90 days after the Plan Administrator receives the application, unless special circumstances require an extension of time, in which case, the Plan Administrator has up to an additional 90 days for processing the application. If an extension of time for processing is required, written notice of the extension will be furnished to the applicant before the end of the initial 90 day period.

This notice of extension will describe the special circumstances necessitating the additional time and the date by which the Plan Administrator is to render its decision on the application.

(c) Request for a Review. Any person (or that person's authorized representative) for whom an application for benefits is denied, in whole or in part, may appeal the denial by submitting a request for a review to the Plan Administrator within 60 days after the application is denied. A request for a review shall be in writing and shall be addressed to:

Rani Therapeutics Holdings, Inc.
Compensation Committee of the Board of Directors or Representative
Attention to: Corporate Secretary
2051 Ringwood Avenue
San Jose, California 95131

A request for review must set forth all of the grounds on which it is based, all facts in support of the request and any other matters that the applicant feels are pertinent. The applicant (or his or her representative) shall have the opportunity to submit (or the Plan Administrator may require the applicant to submit) written comments, documents, records, and other information relating to his or her claim. The applicant (or his or her representative) shall be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to his or her claim. The review shall take into account all comments, documents, records and other information submitted by the applicant (or his or her representative) relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

(d) Decision on Review. The Plan Administrator will act on each request for review within 60 days after receipt of the request, unless special circumstances require an extension of time (not to exceed an additional 60 days), for processing the request for a review. If an extension for review is required, written notice of the extension will be furnished to the applicant within the initial 60 day period. This notice of extension will describe the special circumstances necessitating the additional time and the date by which the Plan Administrator is to render its decision on the review. The Plan Administrator will give prompt, written or electronic notice of its decision to the applicant. Any electronic notice will comply with the regulations of the U.S. Department of Labor. In the event that the Plan Administrator confirms the denial of the application for benefits in whole or in part, the notice will set forth, in a manner calculated to be understood by the applicant, the following:

(1) the specific reason or reasons for the denial;

(2) references to the specific Plan provisions upon which the denial is based;

(3) a statement that the applicant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to his or her claim; and

(4) a statement of the applicant's right to bring a civil action under Section 502(a) of ERISA.

(e) Rules and Procedures. The Plan Administrator will establish rules and procedures, consistent with the Plan and with ERISA, as necessary and appropriate in carrying out its responsibilities in reviewing benefit claims. The Plan Administrator may require an applicant who wishes to submit additional information in connection with an appeal from the denial of benefits to do so at the applicant's own expense.

(f) Exhaustion of Remedies. No legal action for benefits under the Plan may be brought until the applicant (i) has submitted a written application for benefits in accordance with the procedures described by Section 12(a) above, (ii) has been notified by the Plan Administrator that the application is denied, (iii) has filed a written request for a review of the application in accordance with the appeal procedure described in Section 12(c) above, and (iv) has been notified that the Plan Administrator has denied the appeal. Notwithstanding the foregoing, if the Plan Administrator does not respond to an Eligible Employee's claim or appeal within the relevant time limits specified in this Section 12, the Eligible Employee may bring legal action for benefits under the Plan pursuant to Section 502(a) of ERISA.

Section 13. BASIS OF PAYMENTS TO AND FROM PLAN.

The Plan shall be unfunded, and all cash payments under the Plan shall be paid only from the general assets of the Company.

Section 14. OTHER PLAN INFORMATION.

(a) Employer and Plan Identification Numbers. The Employer Identification Number assigned to the Company (which is the "Plan Sponsor" as that term is used in ERISA) by the Internal Revenue Service is 86-3114789. The Plan Number assigned to the Plan by the Plan Sponsor pursuant to the instructions of the Internal Revenue Service is 601.

(b) Ending Date for Plan's Fiscal Year. The date of the end of the fiscal year for the purpose of maintaining the Plan's records is December 31.

(c) Agent for the Service of Legal Process. The agent for the service of legal process with respect to the Plan is:

Rani Therapeutics Holdings, Inc.
Attention to: Corporate Secretary
2051 Ringwood Avenue
San Jose, California 95131

In addition, service of legal process may be made upon the Plan Administrator.

(d) Plan Sponsor. The "Plan Sponsor" is:

Rani Therapeutics Holdings, Inc.
2051 Ringwood Avenue
San Jose, California 95131
(408) 457-3700

(e) Plan Administrator. The Plan Administrator is the Committee prior to the Closing and the Representative upon and following the Closing. The Plan Administrator's contact information is:

Rani Therapeutics Holdings, Inc.
Compensation Committee of the Board of Directors or Representative
2051 Ringwood Avenue
San Jose, California 95131

The Plan Administrator is the named fiduciary charged with the responsibility for administering the Plan.

Section 15. STATEMENT OF ERISA RIGHTS.

Participants in this Plan (which is a welfare benefit plan sponsored by Rani Therapeutics Holdings, Inc.) are entitled to certain rights and protections under ERISA. If you are an Eligible Employee, you are considered a participant in the Plan and, under ERISA, you are entitled to:

(a) Receive Information About Your Plan and Benefits

(1) Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites, all documents governing the Plan and a copy of the latest annual report (Form 5500 Series), if applicable, filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration;

(2) Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan and copies of the latest annual report (Form 5500 Series), if applicable, and an updated (as necessary) Summary Plan Description. The Administrator may make a reasonable charge for the copies; and

(3) Receive a summary of the Plan's annual financial report, if applicable. The Plan Administrator is required by law to furnish each Eligible Employee with a copy of this summary annual report.

(b) Prudent Actions by Plan Fiduciaries. In addition to creating rights for Plan Eligible Employees, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate the Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Eligible Employees and beneficiaries. No one, including your employer, your union or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a Plan benefit or exercising your rights under ERISA.

(c) Enforce Your Rights. If your claim for a Plan benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan, if applicable, and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court.

If you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

(d) Assistance with Your Questions. If you have any questions about the Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

APPENDIX A

PARTICIPATION AGREEMENT

APPENDIX A

PARTICIPATION AGREEMENT

Name: _____

Section 1. ELIGIBILITY.

You have been designated as eligible to participate in the Rani Therapeutics Holdings, Inc. Severance and Change in Control Plan (the "***Plan***"), a copy of which is attached to this Participation Agreement (the "***Participation Agreement***"). Capitalized terms not explicitly defined in this Participation Agreement but defined in the Plan shall have the same definitions as in the Plan. You will receive the benefits set forth below if you meet all the eligibility requirements set forth in the Plan, including, without limitation, executing the required Release within the applicable time period set forth therein and allowing such Release to become effective in accordance with its terms. Notwithstanding the schedule for provision of benefits as set forth below, the schedule and timing of payment of any benefits under this Participant Agreement is subject to any delay in payment that may be required under Section 5 of the Plan.

Section 2. CHANGE IN CONTROL SEVERANCE BENEFITS.

If you are terminated in a Covered Termination that occurs during the Change in Control Period, you will receive the severance benefits set forth in this Section 2. All severance benefits described herein are subject to standard deductions and withholdings.

(a) Base Salary. You shall receive a cash payment in an amount equal to [_____][1] months (the "***Severance Period***") of payment of your Base Salary. The Base Salary payment will be paid to you in a lump sum cash payment no later than the second regular payroll date following the later of (i) the effective date of the Release or (ii) the Closing, but in any event not later than March 15 of the year following the year in which your Separation from Service occurs.

(b) Bonus Payment. You will be entitled to [__]%[2] of the annual target cash bonus established for you, if any, pursuant to the annual performance bonus or annual variable compensation plan established by the Board of Directors or Committee (or any authorized committee or designee thereof) for the year in which your Covered Termination occurs. If at the time of the Covered Termination you are eligible for the annual target cash bonus for the year in which the Covered Termination occurs, but the target percentage (or target dollar amount, if specified as such in the applicable bonus plan) for such bonus has not yet been established for such year, the target percentage shall be the target percentage established for you for the preceding year (but adjusted, if necessary for your position for the year in which the Covered Termination occurs). The amount of the annual target bonus to which you are entitled under this Section 2(b) will be calculated (1) assuming all articulated performance goals for such bonus (including, but not limited to, corporate and individual performance, if applicable), for the year of the Covered Termination was achieved at target levels; (2) as if you had provided services for the entire year

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1 18 months for CEO and 12 months for other C-Level executives.

2 150% for CEO and 100% for other C-Level executives.

for which the bonus relates; and (3) ignoring any reduction in your Base Salary that would give rise to your right to resignation for Good Reason (such bonus to which you are entitled under this Section 2(b), the "***Annual Target Bonus Severance Payment***"). The Annual Target Bonus Severance Payment shall be paid in a lump sum cash payment no later than the second regular payroll date following the later of (i) the effective date of the Release or (ii) the Closing, but in any event not later than March 15 of the year following the year in which your Separation from Service occurs.

(c) Payment of Continued Group Health Plan Benefits. If you timely elect continued group health plan continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("***COBRA***") following your Covered Termination date, the Company Group shall pay directly to the carrier the full amount of your COBRA premiums on behalf of you for your continued coverage under the Company Group's health plans, including coverage for your eligible dependents, until the earliest of (i) the end of the Severance Period following the date of your Covered Termination, (ii) the expiration of your eligibility for the continuation coverage under COBRA, or (iii) the date when you become eligible for substantially equivalent health insurance coverage in connection with new employment (such period from your termination date through the earliest of (i) through (iii), the "***COBRA Payment Period***"). Upon the conclusion of such period of insurance premium payments made by the Company Group, you will be responsible for the entire payment of premiums (or payment for the cost of coverage) required under COBRA for the duration of your eligible COBRA coverage period, if any. For purposes of this Section, (1) references to COBRA shall be deemed to refer also to analogous provisions of state law and (2) any applicable insurance premiums that are paid by the Company Group shall not include any amounts payable by you under an Internal Revenue Code Section 125 health care reimbursement plan, which amounts, if any, are your sole responsibility. You agree to promptly notify the Company Group as soon as you become eligible for health insurance coverage in connection with new employment or self-employment.

Notwithstanding the foregoing, if at any time the Company Group determines, in its sole discretion, that it cannot provide the COBRA premium benefits without potentially incurring financial costs or penalties under applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then in lieu of paying COBRA premiums directly to the carrier on your behalf, the Company Group will instead pay you on the last day of each remaining month of the COBRA Payment Period a fully taxable cash payment equal to the value of your monthly COBRA premium for the first month of COBRA coverage, subject to applicable tax withholding (such amount, the "***Special Severance Payment***"), such Special Severance Payment to be made without regard to your election of COBRA coverage or payment of COBRA premiums and without regard to your continued eligibility for COBRA coverage during the COBRA Payment Period. Such Special Severance Payment shall end upon expiration of the COBRA Payment Period.

(d) Equity Acceleration. The vesting and exercisability of each outstanding unvested stock option and other stock award, as applicable, that you hold covering the Company Group's equity securities (including any equity securities assumed, substituted or continued by the Company's successor in connection with the Change in Control) as of the date of your Covered Termination (each, an "***Equity Award***") that is subject to time-vesting shall be accelerated in full and any reacquisition or repurchase rights held by the Company Group (or its successor) in respect of the equity securities issued pursuant to any time-vesting Equity Award granted to you shall

lapse in full. To the extent your Covered Termination occurs prior to the Change in Control, the acceleration set forth in this Section 2(d) shall be contingent and effective upon the Change in Control and your Equity Awards will remain outstanding following your Covered Termination to give effect to such acceleration as necessary. Any Equity Awards subject to performance-vesting shall vest and become exercisable according to their individual award agreements.

Section 3. NON-CHANGE IN CONTROL SEVERANCE BENEFITS.

If you are terminated in a Covered Termination that occurs at a time that is not during the Change in Control Period, you will receive:

(a) the base salary cash payment described in Section 2(a) above, but the Severance Period for purposes of calculating such benefits shall be [_____][3] months and the payment shall be made in accordance with the Company Group's regular payroll practices over the length of the Severance Period rather than in a single lump sum; and

(b) the COBRA benefits described in Section 2(c) above, but the Severance Period for purposes of calculating such benefits shall be [_____][4] months.

In no event shall you be entitled to benefits under both Section 2 and this Section 3. If you are eligible for severance benefits under both Section 2 and this Section 3, you shall receive the benefits set forth in Section 2 and such benefits shall be reduced by any benefits previously provided to you under Section 3.

Section 4. ACKNOWLEDGEMENTS; INTERACTION WITH PRIOR BENEFITS.

As a condition to participation in the Plan, you hereby acknowledge each of the following:

(a) The benefits that may be provided to you under this Participation Agreement are subject to certain reductions and termination under Section 2 and Section 3 of the Plan.

(b) Your eligibility for and receipt of any severance benefits to which you may become entitled as described in Section 2 or Section 3 above is expressly contingent upon your execution of and compliance with the terms and conditions of the Plan, the Release and the Confidentiality Agreement. Severance benefits under this Participation Agreement shall immediately cease in the event of your violation of the provisions of Confidentiality Agreement or any other written agreement with the Company Group.

(c) As further described in Section 2(c) of the Plan, this Participation Agreement and the Plan supersede and replace any change in control or severance benefits previously provided to you, and by executing below you expressly agree to such treatment.

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3 12 months for CEO and 9 months for other C-Level executives.

4 12 months for CEO and 9 months for other C-Level executives.

To accept the terms of this Participation Agreement and participate in the Plan, please sign and date this Participation Agreement in the space provided below and return it to _____ no later than _____, ____.

Rani Therapeutics Holdings, Inc.

By: _____

_____

_____

Eligible Employee

_____
[Insert Name]

Date: _____

EXCLUSIVE LICENSE AGREEMENT

between

InCube Labs, LLC. (“Licensor”)

and

Rani Therapeutics, LLC (“Licensee”)

EXCLUSIVE LICENSE AGREEMENT

This exclusive license agreement (the "Agreement") is made effective on June 14, 2012 (the "Effective Date"), between InCube Labs, LLC ("Licensor"), and Rani Therapeutics, LLC, a California limited liability corporation ("Licensee").

BACKGROUND

A. Certain inventions, generally relating to the Field of Use are covered by Licensor's Patent Rights as defined below.

B. Licensee wishes to obtain the rights from Licensor for the exclusive commercial development, use and sale of Licensed Products and Services from the Invention, and Licensor is willing to grant those rights.

C. Licensor reserves the right to grant additional licenses outside the Field of Use.

In view of the foregoing, the parties, recognizing the receipt and sufficiency of consideration herein, agree:

1. DEFINITIONS

1.1 "Field of Use" means "ORAL DELIVERY OF BIOTHERAPEUTIC AGENTS SUCH AS PEPTIDES, PROTEINS & ANTIBODIES" but excludes "SWALLOWABLE DEVICES THAT DO NOT DELIVER SUCH DRUGS".

1.2 "Licensed Products and Services" means any services, compositions or products the manufacture, use, sale, offer for sale, importation or practice of which would constitute, but for the license granted Licensee by Licensor herein, an infringement of any pending or issued valid and unexpired claim within Licensor's Patent Rights.

1.3 "Licensor's Patent Rights" means Licensor's interest in the patents and patent applications listed on Exhibit A, together with continuations, divisionals, substitutions and continuation-in-part applications (but in the case of continuations-in-part only to the extent that claims are supported in the applications listed on Exhibit A or any patent application from which the same derive); and patents issuing on said applications including registrations, reissues, reexaminations and extensions and the corresponding foreign applications and patents.

1.4 "Sublicensee" means a third party to whom Licensee grants a sublicense under this Agreement.

2. LIFE OF PATENT EXCLUSIVE GRANT

2.1 Subject to the limitations set forth in this Agreement, Licensor grants to Licensee an exclusive paid up royalty free license under Licensor's Patent Rights to make, have made, use, offer to sell, sell and import Licensed Products and Services to the extent permitted by applicable law. The license granted in Paragraph 2.1 is exclusive for the term of this Agreement.

2.2 The license granted in Paragraph 2.1 is limited to products and services that are within the Field of Use. For all other products and services, Licensee has no license under this Agreement.

3. SUBLICENSES

3.1 Licensor also grants to Licensee the right to grant and authorize sublicenses to third parties to make, have made, use, offer to sell, sell and import Licensed Products and Services, as long as Licensee has current exclusive rights thereto under this Agreement. To the extent applicable, sublicenses must include all of the rights of and obligations due to Licensor (and, if applicable, the U.S. Government) contained in this Agreement.

3.2 Licensee shall promptly provide Licensor with a copy of each sublicense issued (which copy may be redacted with respect to information not pertinent to compliance with the terms and conditions of this Agreement)

3.3 Upon termination of this Agreement for any reason, all sublicenses shall survive such termination, provided that, upon request by Licensor, the applicable Sublicensee agrees in writing to be bound by the applicable terms of this Agreement.

4. DUE DILIGENCE

4.1 Licensee, upon execution of this Agreement, shall diligently proceed with the development, manufacture and sale of Licensed Products and Services and shall earnestly and diligently endeavor to market the same within a reasonable time after execution of this Agreement and in quantities sufficient to meet market demands.

4.2 Licensee shall endeavor to obtain all necessary governmental approvals for the manufacture, use and sale of Licensed Products and Services.

5. PROGRESS REPORTS

5.1 Beginning with the Effective Date and annually thereafter, Licensee shall submit to Licensor a written progress report covering Licensee’s (and any Affiliate’s or Sublicensee’s) activities related to the development and testing of all Licensed Products and Services and the obtaining of the governmental approvals necessary for marketing.

6. TERM OF THE AGREEMENT

6.1 Unless otherwise terminated by operation of law or by acts of the parties in accordance with the terms of this Agreement, this Agreement will be in force from the Effective Date until the later of (i) the date of expiration of the last-to-expire patent licensed under this Agreement or (ii) the date that the last patent application licensed under this Agreement is abandoned.

6.2 Upon the sale or merger of the Licensee, the obligations of the Licensor to license additional patents to Licensee shall cease as of the effective date of the sale or merger. All other terms of this license agreement pertaining to patents or patent applications that have already been licensed under this agreement shall continue.

6.3 Licensee has the right at any time to terminate this Agreement in whole or as to any portion of Licensor’s Patent Rights by giving notice in writing to Licensor. Such notice of termination will be subject to Article 14 (Notices) and termination of this Agreement will be effective 60 days from the effective date of such notice. In the event of termination by the Licensee, all rights so terminated shall revert back to the Licensor.

6.4 Any termination under the above paragraph does not relieve Licensee of any obligation or liability accrued under this Agreement prior to termination or rescind any payment made to Licensor or anything done by Licensee prior to the time termination becomes effective. Termination does not affect in any manner any rights of Licensor arising under this Agreement prior to termination.

7. USE OF NAMES AND TRADEMARKS

7.1 Nothing contained in this Agreement confers any right to use in advertising, publicity or other promotional activities any name, trade name, trademark or other designation of either party hereto (including contraction, abbreviation or simulation of any of the foregoing).

8. LIMITED WARRANTIES AND LIMITATIONS ON LIABILITY

8.1 Licensor represents and warrants to Licensee that: (i) it has the lawful right to enter into this Agreement and grant the rights and licenses hereunder, (ii) Licensor is and shall be the owner of the entire right, title, and interest in and to Licensor's Patent Rights, (iii) Licensor has not previously granted and will not grant any rights in Licensor's Patent Rights that are inconsistent with the rights and licenses granted to Licensee herein, (iv) to Licensor's knowledge, there are no claims of any third parties that would call into question the rights of Licensor to grant to Licensee the rights and licenses granted hereunder, (v) to Licensor's knowledge, practice of Licensor's Patent Rights will not infringe intellectual property rights of third parties and (vi) except for Licensor's Patent Rights, and the inventions disclosed therein, as of the Effective Date, Licensor does not own or control rights to any patent, patent application or invention pertaining to the Invention or the claims of which would dominate any practice of Licensor's Patent Rights.

8.2 This Agreement does not:

8.2.1 express or imply a warranty or representation as to the validity or scope of any of Licensor's Patent Rights;

8.2.2 express or imply a warranty or representation that anything made, used, sold, offered for sale or imported or otherwise disposed of under any license granted in this Agreement is or will be free from infringement of patents of third parties;

8.2.3 obligate Licensor to bring or prosecute actions or suits against third parties for patent infringement except as provided in Article 11 (Patent Infringement);

8.2.4 confer by implication, estoppel or otherwise any license or rights under any patents of Licensor other than Licensor's Patent Rights as defined in this Agreement, regardless of whether those patents are dominant or subordinate to Licensor's Patent Rights; or

8.2.5 obligate Licensor to furnish any know-how not provided in Licensor's Patent Rights.

8.3 LIMITATION OF LIABILITY. IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY SPECIAL OR INCIDENTAL DAMAGES, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY ARISING OUT OF THIS AGREEMENT, AND WHETHER OR NOT SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE AGGREGATE LIABILITY OF EACH PARTY UNDER THIS AGREEMENT SHALL NOT EXCEED AMOUNTS PAYABLE OR PAID UNDER THIS AGREEMENT. THESE LIMITATIONS SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED HEREIN. THE ABOVE LIMITATIONS OF LIABILITY SHALL NOT APPLY TO ANY LIABILITY ARISING OUT OF INDEMNIFICATION OR CONFIDENTIALITY OBLIGATIONS.

8.4 DISCLAIMER OF WARRANTIES. EXCEPT AS EXPRESSY SET FORTH HEREIN, EACH PARTY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY AND ALL IMPLIED WARRANTIES OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT.

9. PATENT PROSECUTION AND MAINTENANCE

9.1 As long as Licensee has paid patent costs as provided for in this Article 15 (Patent Prosecution and Maintenance), Licensor shall diligently endeavor to prosecute and maintain the U.S. and foreign patent applications and patents comprising Licensor's Patent Rights using counsel of its choice, and Licensor shall provide Licensee with copies of all relevant documentation so that Licensee may be informed of the continuing prosecution, and Licensee agrees to keep this documentation confidential. Licensor's counsel will take instructions only from Licensor, and all patents and patent applications under this Agreement will be assigned solely to Licensor.

9.2 Licensor shall use reasonable efforts to amend any patent application to include claims and take such other actions with respect to the filing, prosecution and maintenance of the Licensor's Patent Rights reasonably requested by Licensee to protect the products and services contemplated to be sold under this Agreement. Licensee to pay cost for such actions requested by Licensee.

9.3 If requested by Licensor, Licensee shall apply for an extension of the term of any patent included within Licensor's Patent Rights if appropriate under the Drug Price Competition and Patent Term Restoration Act of 1984 and/or European, Japanese and other foreign counterparts of this Law. Licensee shall prepare all documents and Licensor agrees to execute the documents and to take additional action as Licensee reasonably requests in connection therewith.

9.4 If either party receives notice pertaining to infringement or potential infringement of any issued patent included within Licensor's Patent Rights under the Drug Price Competition and Patent Term Restoration Act of 1984 (and/or foreign counterparts of this law), then that party shall notify the other party within 10 days after receipt of notice of infringement.

9.5 Licensee may request Licensor to obtain patent protection on the Invention in foreign countries if available and if it so desires. Licensee shall notify Licensor of its decision to obtain or maintain foreign patents not less than 60 days prior to the deadline for any payment, filing or action to be taken in connection therewith. This notice concerning foreign filing must be in writing, must identify the countries desired and must reaffirm Licensee's obligation to underwrite the costs thereof. The absence of such a notice from Licensee to Licensor will be considered an election not to obtain or maintain foreign rights.

9.6 Licensor may file, prosecute or maintain patent applications at its own expense in any country in which Licensee has not elected to file, prosecute or maintain patent applications in accordance with this Article 9 (Patent Prosecution and Maintenance) and those applications and resultant patents will not be subject to this Agreement.

9.7 Licensee shall promptly pay the Licensor the prorata portion with other licensees, all expenses that the Licensor incurs for the prosecution and maintenance of Licensed Patents (this may include PTO fees, outside attorneys, PTO travel, foreign filing costs). Licensor shall bill these expenses as incurred.

10. PATENT MARKING

Licensee shall mark all Licensed Products and Services made, used or sold under the terms of this Agreement, or their containers, in accordance with the applicable patent marking laws.

11. PATENT INFRINGEMENT

11.1 If either party learns of the substantial infringement of any patent licensed under this Agreement, then such party shall call the other party's attention thereto in writing and provide such other party with reasonable evidence of infringement. Neither party will notify a third party of the infringement of any of Licensor's Patent Rights without first obtaining consent of the other party, which consent will not be unreasonably denied, conditioned or delayed. Both parties shall use their commercially reasonable efforts in cooperation with each other to terminate infringement without litigation.

11.2 Licensee may request that Licensor take legal action against the infringement of Licensor's Patent Rights. Such request must be in writing and must include reasonable evidence of infringement and damages to Licensee. If the infringing activity has not abated within 90 days following the effective date of request, then Licensor has the right to:

11.2.1 commence suit on its own account; or

11.2.2 refuse to commence suit, in which case Licensor shall give notice of its election in writing to Licensee by the end of the 100th day after receiving notice of written request from Licensee. Licensee may thereafter bring suit for patent infringement, at its own expense, if and only if, Licensor elects not to commence suit and if the infringement occurred during the period and in a jurisdiction where Licensee had exclusive rights under this Agreement. If Licensee elects to bring suit in accordance with this Paragraph 11.2, then Licensor may thereafter at its option join that suit at its own expense. However, if licensor does not voluntarily join the suit, Licensor agrees to be joined as a party to the suit at the request of the licensee. In such an event, licensee will pay the costs involved in joining the Licensor to the suit. Each party agrees not to bring suit for patent infringement without following the procedures of this Paragraph 11.2, and both parties agree to be bound by an order of a court for patent infringement, patent infringement issues and patent infringement defenses as determined through such a suit under this Paragraph 11.2.

11.3 If Licensor elects not to commence suit, legal action will be at Licensee's expense and Licensee shall retain all damages recovered thereby. Otherwise, legal action brought by Licensor and fully participated in by both parties will be at the joint and equal expense of the parties and all recoveries from such a suit will first be applied to the litigation costs and fees of the parties bringing suit.

11.4 Each party shall cooperate with the other in litigation proceedings instituted hereunder but at the expense of the party bringing suit. Litigation will be controlled by the party bringing the suit, except that Licensor may be represented by counsel of its choice in any suit brought by Licensee.

12. INDEMNIFICATION

12.1 Licensee shall indemnify, hold harmless and defend Licensor, its officers, employees and agents against any and all claims, suits, losses, liabilities, damages, costs, fees and expenses resulting from product liability arising out of exercise of this license or any sublicense, provided, however, that the indemnified party (i) promptly notifies Licensee of the applicable claim, (ii) gives Licensee sole control of the defense or settlement of such claim and (iii) provides Licensee, at its expense, with reasonable assistance and full information with respect to such claim. Notwithstanding the foregoing, Licensee shall have no obligations for any claim if the indemnified party makes any admission, settlement or other communication regarding such claim without the prior written consent of Licensee, which consent shall not be unreasonably withheld.

12.2 Licensee, at its sole cost and expense, shall insure its activities in connection with the work under this Agreement and obtain, keep in force and maintain insurance as set forth in Paragraph 18.3 or an equivalent program of self-insurance.

12.3 Comprehensive or commercial form general liability insurance (contractual liability included), commencing prior to trials involving humans, with limits as follows:

- Each Occurrence $1,000,000
- Products/Completed Operations Aggregate $5,000,000
- Personal and Advertising Injury $1,000,000
- General Aggregate (commercial form only) $5,000,000

The coverage and limits referred to under the above do not in any way limit the liability of Licensee. Licensee shall furnish Licensor with certificates of insurance showing compliance with all requirements. Certificates must:

- Provide for 30 day advance written notice to Licensor of any modification.
- Indicate that Licensor has been endorsed as an additional insured under the coverage referred to above.
- Include a provision that the coverage will be primary and will not participate with nor will be excess over any valid and collectable insurance or program of self insurance carried or maintained by Licensor.

12.4 Licensor shall notify Licensee in writing of any claim or suit brought against Licensor in respect of which Licensor intends to invoke the provisions of this Article 12 (Indemnification). Licensee shall keep Licensor informed on a current basis of its defense of any claims under this Article 18 (Indemnification).

13. CONFIDENTIALITY

13.1 Except as otherwise provided herein, each party shall maintain in confidence, and shall not use for any purpose or disclose to any third party information disclosed by the other party in writing and marked “Confidential” or that is disclosed orally and confirmed in writing as confidential within 45 days following such disclosure (collectively, “Confidential Information”). Confidential Information shall not include any information that is: (i) already known to the receiving party at the time of disclosure hereunder, or (ii) now or hereafter becomes publicly known other than through acts or omissions of the receiving party, or (iii) disclosed to the receiving party by a third party under no obligation of confidentiality to the disclosing party or (iv) independently developed by the receiving party without reference to the Confidential Information of the disclosing party.

13.2 Notwithstanding the provisions of Paragraph 13.1 above, each party may use or disclose Confidential Information in exercising its rights hereunder or fulfilling its obligations and duties hereunder and in prosecuting or maintaining any proprietary rights, prosecuting or defending litigation, complying with applicable governmental regulations and submitting information to tax or other governmental authorities, provided that if the party is required by law to make any public disclosures of Confidential Information of the other, to the extent it may legally do so, the party will give reasonable advance notice to the other of such disclosure and will use its reasonable efforts to secure confidential treatment of Confidential Information prior to its disclosure (whether through protective orders or otherwise).

14. NOTICES

14.1 Any notice or payment required to be given to either party shall be deemed to have been properly given and to be effective as of the date specified below if delivered to the respective address or facsimile number given below or to another address or facsimile number as designated by written notice given to the other party:

14.1.1 on the date of delivery if delivered in person;

14.1.2 on the date of mailing if mailed by first-class certified mail, postage paid;

14.1.3 on the date of mailing if mailed by any global express courier service that requires recipient to sign the documents demonstrating the delivery of such notice or payment; or

14.1.4 on the date of transmission if sent by facsimile with confirmation of transmission.

In the case of Licensee:	Rani Therapeutics, LLC 2051 Ringwood Avenue San Jose, Ca 95131
In the case of Licensor:	InCube Labs, LLC 2051 Ringwood Avenue San Jose, Ca 95131

15. ASSIGNABILITY.

Each party may assign this agreement in whole or in part to a party succeeding to substantially all of the assigning party's assets relating to this Agreement. Upon a permitted assignment of this Agreement by a party, all references herein to such party shall be deemed a reference to the assignee. Any other attempt to transfer or assign shall be void without the prior written consent of the other party. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of each party and their respective successors and authorized assigns.

16. NO WAIVER.

No waiver by either party of any default of this Agreement may be deemed a waiver of any subsequent or similar default. A suspension of duty under this Agreement due to force majeure shall not be for a period longer than 1 year.

17. FAILURE TO PERFORM.

Subject to Article 20, if either party finds it necessary to undertake legal action against the other on account of failure of performance due under this Agreement, then the prevailing party is entitled to reasonable attorney's fees in addition to costs and necessary disbursements.

18. GOVERNING LAWS.

THIS AGREEMENT WILL BE INTERPRETED AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA WITHOUT REGARD TO CONFLICT OF

LAWS OR TO WHICH PARTY DRAFTED PARTICULAR PROVISIONS OF THIS AGREEMENT, but the scope and validity of any patent or patent application will be governed by the applicable laws of the country of the patent or patent application. Disputes between the parties regarding this Agreement will utilize only trial courts within California for disputes that go to court.

19. EXPORT CONTROL LAWS.

Licensee shall observe all applicable U.S. and foreign laws with respect to the transfer of Licensed Products and Services and related technical data to foreign countries, including, without limitation, the International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations.

20. DISPUTE RESOLUTION

Both parties shall undertake all reasonable best efforts to resolve in an amicable manner any dispute arising in connection with this Agreement. Any dispute arising between the parties in connection with this Agreement which cannot be resolved through good faith negotiation shall be referred to binding arbitration in San Jose, California, U.S.A. to be conducted by the Judicial Arbitration and Mediation Services, Inc. (or any successor entity thereto) ("JAMS") under its rules of arbitration then in effect, except as modified in this Agreement. The arbitration shall be conducted by a single arbitrator. The arbitrator shall engage an independent expert with experience in the subject matter of the dispute to advise the arbitrator. If the parties are unable to agree upon an arbitrator, one shall be chosen by JAMS. The decision of the arbitrator, including any award, shall be final and binding upon the parties. Any decision of the arbitrator may be entered in a court of competent jurisdiction for judicial recognition of the decision and an order of enforcement. The arbitration proceedings and the decision of the arbitrator shall not be made public without the written consent of both parties, and each party shall maintain the confidentiality of such proceedings and decision, unless otherwise agreed in writing by the parties. The parties agree that they shall share equally the cost of the arbitration filing and hearing fees, the cost of the independent expert retained by the arbitrator and the cost of the arbitrator and administrative fees of JAMS. Each party shall bear its own costs and attorneys' and witnesses' fees and associated costs and expenses. Pending the selection of the arbitrator or pending the arbitrator's determination of the merits of any dispute, either party may seek appropriate interim or provisional relief from any court of competent jurisdiction as necessary to protect the rights or property of that party. Notwithstanding the foregoing, any dispute or controversy relating to the inventorship and ownership of any invention or the scope, validity, enforceability or infringement of any intellectual property rights shall be submitted to a court of competent jurisdiction in the territory in which such intellectual property rights were granted or arose.

21. MISCELLANEOUS

21.1 The headings of the several sections are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

21.2 This Agreement is not binding on the parties until it has been signed below on behalf of each party. It is then effective as of the Effective Date.

21.3 No amendment or modification of this Agreement is valid or binding on the parties unless made in writing and signed on behalf of each party.

21.4 This Agreement embodies the entire understanding of the parties and supersedes all previous communications, representations or understandings, either oral or written, between the parties relating to the subject matter hereof.

21.5 In case any of the provisions contained in this Agreement is held to be invalid, illegal or unenforceable in any respect, that invalidity, illegality or unenforceability will not affect any other provisions of this Agreement and this Agreement will be construed as if the invalid, illegal or unenforceable provisions had never been contained in it.

21.6 None of the provisions of this Agreement is intended to create any form of joint venture between the parties, rights in third parties or rights that are enforceable by any third ply.

21.7 Notwithstanding the foregoing, the Licensee agrees and acknowledges that the Licensor is subject to preexisting obligations with respect to the development, assignment and confidentiality of intellectual property that is developed, in whole or in part, by Mir Imran or by InCube Labs, LLC, or with the use of funds contributed by InCube Labs, LLC. Licensee agrees that its rights to any such information as provided for hereunder are in all cases subject to and limited by licensor’s preexisting rights, and that in the event of any conflict between such preexisting rights and the rights of the licensee set forth hereunder, the preexisting rights shall prevail.

In witness whereof, both Licensor and Licensee have executed this Agreement by their respective and duly authorized officers on the day and year written.

LICENSOR

InCube Labs, LLC

By: */s/ Mir Imran*

Name: Mir Imran

Title: Chairman

Date: June 14, 2012

LICENSEE

Rani Therapeutics, LLC

By: */s/ Mir Imran*

Name: Mir Imran

Title: President

Date: June 14, 2012

EXHIBIT A

LICENSOR’S PATENT RIGHTS

RANI-InCube Labs

Intellectual Property Agreement

This agreement dated June 14, 2012, is hereby made by and between InCube Labs LLC ("InCube") and Rani Therapeutics, LLC. ("RANI"), both having an address at 2051 Ringwood Ave, San Jose CA 95131

1. Definitions

As used herein,

(i) "Field" means "ORAL DELIVERY OF BIOTHERAPEUTIC AGENTS SUCH AS PEPTIDES, PROTEINS & ANTIBODIES" but excludes "SWALLOWABLE DEVICES THAT DO NOT DELIVER SUCH DRUGS".

(ii) a "Licensed Product" means a product, the manufacture, sale or use of which would but for the license granted herein, infringe a claim of a Multi-Field Patent in the country for which such product is sold.

(iii) a "Patent Right" means patent applications and any and all divisionals, continuations, continuations-in-part, reexaminations, extensions, substitutions, reissues, renewals, additions and foreign counterparts thereto, including all United States and foreign patents issuing therefrom,"

(iv) an "Intellectual Property Right" means any and all intellectual property rights in addition to a Patent Right including trade secrets, trademarks and copyrights

2. *Intellectual Property Rights*

A. *Assignment*. Any inventions, discoveries, improvements, works of authorship or ideas solely in the Field herein made or conceived by InCube during the Term of the Agreement that arise out of the services performed hereunder during the Term of the Agreement (collectively, "InCube Inventions") shall be the property of RANI. InCube hereby irrevocably assigns to RANI all of InCube's right, title and interest in such InCube Inventions that are solely in the Field, including all intellectual property rights embodied therein. InCube agrees to execute and/or deliver all domestic or foreign papers, applications for patents or copyright registrations, including assignments, powers of attorney, declarations and affidavits or other documents which may be necessary for RANI to secure and enforce patents or copyright registrations covering Incube Inventions in the Field. If RANI seeks to obtain patent protection or copyright registration for any Incube Inventions in the Field, InCube will assist RANI in filing and prosecuting such United States and foreign patent or copyright registration applications claiming or embodying any Incube Inventions in the Field; provided, however, that InCube shall be promptly and fully reimbursed for all reasonable and actual costs and expenses related to responding to any request under this paragraph.

To the extent that a patent, patent application or other Intellectual Property Right resulting from an InCube Invention has applicability outside the **Field** (herein a **Multi-Field Intellectual Property Right** “”), the parties agree that InCube will own such **Multi-Field Intellectual Property Rights** and will have the responsibility for prosecuting and maintaining any patent application, patent or other Intellectual Property Right associated with the Multi-Field Intellectual Property Right (such patents and patent applications being referred to herein as Multi-field Patents), when and if issued. InCube hereby grants RANI an exclusive, perpetual, irrevocable, transferable, sublicenseable, worldwide right and license in the Field to develop, make, have made, use, sell, offer for sale, import, export and otherwise commercialize Licensed Products (herein a **Multi-Field** Patent License). For each patent or patent application under the Multi-Field Patent License, RANI agrees to pay all pro-rata costs with any other licensee, for the prosecution and maintenance of the **Multi-Field** InCube Patent.

The Multi-Field Patents and Patent applications will be licensed to RANI under the Exclusive License Agreement, which is attached hereto as Exhibit I

Notwithstanding the foregoing, RANI agrees and acknowledges that InCube is subject to preexisting obligations with respect to the development, assignment and confidentiality of intellectual property that is developed, in whole or in part, by Mir Imran or by InCube, or with the use of funds contributed by InCube. Rani agrees that its rights to any such information as provided for hereunder are in all cases subject to and limited by InCube’s preexisting rights, and that in the event of any conflict between such preexisting rights and the rights of the Company set forth hereunder, the preexisting rights shall prevail.

B. *Pre-Existing Intellectual Property*. InCube agrees that if, in the course of performing the services provided for under Section 1.A above (the “**Services**”), InCube incorporates into any Invention developed under this Agreement any pre-existing invention, improvement, development, concept, discovery or other proprietary information owned by InCube or in which InCube has an interest, (i) InCube will inform RANI, in writing before incorporating such invention, improvement, development, concept, discovery or other proprietary information into any Invention, and (ii) to the extent that InCube has rights thereto, RANI will be offered a nonexclusive, worldwide license in the **Field**, to make, have made, modify, use and sell such item as part of or in connection with such Invention. In such a License, RANI agrees to pay all pro-rata costs for the prosecution and maintenance of the Pre-existing InCube Patent.

C. *Further Assurances*. InCube agrees to assist and to cause each InCube Employee to assist, RANI, or its designee, at RANI’s expense, in every proper way to secure RANI’s rights in assigned or licensed Inventions and any copyrights, patents or other intellectual property rights in any and all countries, including the disclosure to RANI of all pertinent information and data with respect to all assigned or licensed Inventions, the execution of all applications, specifications, oaths, assignments and all other instruments that RANI may deem necessary to secure RANI’s intellectual property rights under this agreement. InCube also agrees that InCube’s obligation to execute or cause to be executed any documents relating to assign licensed intellectual property, shall continue after the termination of this Agreement.

3. *Expenses billing*

InCube patent attorney's time on patents that are in the RANI's **Field** and **Multi-Field Patent**, will be billed on an hourly basis. In addition, any costs relating to the maintenance, prosecution or licensing (this may include PTO fees, outside attorneys, PTO travel) will be billed as incurred.

Other IP costs billed may include costs incurred for filing of trademarks, internet domain names etc.

4. *Term & Termination*

This Agreement shall commence upon June 14, 2012 and terminate upon the sale or merger or liquidation of RANI.

Following the termination of this agreement, InCube shall continue to provide support to perfect the Assigned Patents or Licensed Patents.

Rani Therapeutics, LLC	InCube Labs, LLC
/s/ Mir Imran	*/s/ Mir Imran*
Signature	Signature
Name & Title	Name & Title
Mir Imran	Mir Imran
Chairman & Managing Member	Chairman &
Date: June 14, 2012	Date: June 14, 2012

RANI THERAPEUTICS, LLC

InCube Labs, LLC
2051 Ringwood Ave
San Jose, CA 95131
Attention: Mir Imran

RE: Acknowledgement and Amendment to the: (i) Intellectual Property Agreement, dated June 14, 2012 ("IPA"), (ii) Service Agreement, dated January 1, 2013 ("Services Agreement"), and (iii) Exclusive License Agreement, dated June 14, 2012 ("License Agreement") – each as between Rani Therapeutics, LLC ("RANI") and InCube Labs, LLC ("InCube") (collectively, the "Agreements").

Dear Mir:

This letter sets forth the mutual understanding between the parties with respect to the Agreements.

The IPA:

The parties hereby agree to amend the IPA as follows, effective June 14, 2012:

- Section 2.A. Section 2.A of the IPA is hereby deleted in its entirety and replaced with the following:

  "Any inventions, discoveries, improvements, works of authorship of ideas that (1) are made or conceived by InCube in the course of performing services for RANI during the term of this Agreement, including pursuant to that certain Service Agreement between InCube and RANI dated January 1, 2013, (collectively, "**InCube Inventions**") and (2) relate primarily to, or have application primarily within, the Field (the "In-Field InCube Inventions"), shall be the property of RANI. InCube shall assign, and hereby irrevocably assigns, to RANI all of InCube's right, title and interest in the In-Field InCube Inventions, including all Patent Rights and Intellectual Property Rights therein. InCube shall promptly disclose to RANI all InCube Inventions. InCube agrees to execute and/or deliver all domestic or foreign papers, applications for patents or copyright registrations, including assignments, powers of attorney, declarations and affidavits or other documents which may be necessary for RANI to secure and enforce patents or copyright registrations covering In-Field InCube Inventions. If RANI seeks to obtain patent protection or copyright registration for any In-Field InCube Invention, InCube will assist RANI in filing and prosecuting such United States and foreign patent application or copyright registration claiming or embodying any In-Field InCube Invention; provided, however, that InCube shall be promptly and fully reimbursed for all reasonable and actual costs and expenses related to any request under this paragraph.

To the extent that an InCube Invention, or any Patent Right or other Intellectual Property Right therein, does not relate primarily to, or have application primarily within, the Field but is otherwise useful in the Field (herein a "**Multi-Field Intellectual Property Right**" and the Patent Rights within the Multi-Field Intellectual Property Rights, the "**Multi-Field Patents**"), the parties agree that InCube will retain ownership of such Multi-Field Intellectual Property Right and will have the responsibility for prosecuting and maintaining the Multi-Field Patents and any other Intellectual Property Right in the Multi-Field Intellectual Property Rights. InCube hereby grants RANI an exclusive, perpetual, irrevocable, transferrable, sublicenseable, worldwide right and license under the Multi-Field Intellectual Property Rights to make, have made, use, sell, offer for sale, import, export and otherwise commercialize products and services (the "**Multi-Field License**"). For each patent or patent application included under the Multi-Field License, RANI agrees to pay its pro-rata share (based on the number of licensees InCube has under such patent or patent application) for the prosecution and maintenance of such Multi-Field Patents; provided that, if RANI declines to exercise the Multi-Field License with respect to any Multi-Field Patent, it shall not be required to pay for the prosecution/maintenance of such patent.

The Multi-Field Patents are hereby included within the Licensor's Patent Rights that are licensed to RANI under the Exclusive License Agreement, which is attached hereto as Exhibit I. Exhibit A to the Exclusive License Agreement shall be updated by the parties from time to time to reflect the Multi-Field Patents.

The In-Field InCube Inventions shall be RANI's Confidential Information, and the Multi-Field Intellectual Property Rights shall be InCube's Confidential Information, in each case subject to Article 13 of the Exclusive License Agreement.

For clarity, any and all assignments made and licenses granted to RANI prior to any expiration or termination of this Agreement shall survive such expiration or termination."

The Services Agreement:

The parties hereby agree to amend the Services Agreement as follows, effective January 1, 2013:

- Section 5.2. Section 5.2 of the Services Agreement is hereby deleted in its entirety and replaced with the following:

  "Any and all inventions (whether or not patentable), works of authorship, designations, designs, know-how, and ideas made or conceived or reduced to practice, in whole or in part, by (or on behalf of) InCube in its

performance of the Services ("Inventions"), and all intellectual property rights therein, shall be subject to that certain Intellectual Property Agreement between the parties, dated June 14, 2012 ("IPA"), including the assignments and licenses set forth therein, and shall be deemed InCube Inventions under the IPA. InCube will promptly disclose all Inventions to Rani."

- Section 10.1. The first sentence of Section 10.1 shall be deleted and replaced with the following:

  "This Agreement shall be valid for a twenty-four (24) month period from the Effective Date (the "Term"), and upon expiration thereof, both Parties may renew this Agreement pursuant to the terms and conditions defined herein, or as they shall otherwise agree in writing."

- Section 10.2. The first sentence of Section 10.2 shall be deleted and replaced with the following:

  "RANI may terminate this Agreement upon ninety (90) days prior written notice for any or no reason."

The License Agreement:

The parties hereby agree to amend the License Agreement as follows, effective June 14, 2012:

- Section 9.5. The last sentence of Section 9.5 of the License Agreement is hereby deleted in its entirety.

- Section 9.6. Section 9.6 of the License Agreement is hereby deleted in its entirety and replaced with the following:

  "In the event that Licensor does not file for patent protection on the Invention in a foreign country within thirty (30) days of a request made by Licensee with respect to such country pursuant to Section 9.5 above, then Licensee shall have the right to file for patent protection on the Invention in such country in InCube's name. In the event that Licensee files a patent application pursuant to this Section 9.6, it shall provide Licensor with notice of such filing and the associated costs of prosecuting and maintaining such patent application. InCube shall collect pro rata shares of such costs from any other licensees it may have under such patent application and pass such amounts through to Licensee."

- Section 21.7. Section 21.7 of the License Agreement is hereby deleted in its entirety.

Except as modified by this letter, all terms and conditions of the Agreements will remain unchanged. If the terms of the Agreements conflict with those of this letter, this letter shall control. If you agree with the terms of this letter, please countersign and return to me the attached copy of this letter. This letter will be effective as of the date written above upon my receipt of your fully executed copy.

I look forward our continued business relationship.

Very truly yours,

Rani Therapeutics, LLC

By: */s/ Mir Imran*

Name: Mir Imran

Its: President & CEO

Dated: June 13, 2013

ACKNOWLEDGED AND AGREED:

InCube Labs, LLC

By: */s/ Mir Imran*

Name: Mir Imran

Its: Chairman

Dated: June 13, 2013

InCube Labs, LLC

SERVICE AGREEMENT

This SERVICE AGREEMENT ("**Agreement**")**,** is made and entered into effective as of **January 1, 2019** (**the** "**Effective Date**") by and between **Rani Therapeutics, LLC** ("**Rani**") and **InCube Labs, LLC** ("**InCube**") (collectively referred to as the "**Parties**")**,** in reference to the following:

WHEREAS, InCube is in the business of inventing, creating, incubating, developing and implementing the utilization of certain medical related products, including methodologies and platforms for delivery methods of prescribed medicines to patients (the "**IP**")**;**

WHEREAS, Rani has received an assignment of one or more of InCube's IP (the "**Assigned IP**") for the purpose of commercializing such IP, and Rani desires to receive certain services from InCube in connection therewith, including but not limited to utilizing staff of InCube (whether for technical, related to research and development ("**R&D**")**,** support or administrative services) as the Parties may agree to from time to time; and

WHEREAS, InCube agrees to provide such services to Rani as set forth below, including those services as specified and consistent with the scope of work as set forth in Section 2.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises contained herein, the Parties agree as follows:

1. Incorporation of Recitals. The statements set forth in the foregoing Recitals are true and accurate, and as such, the Recitals set forth above are incorporated herein by this reference as though fully set forth in this Agreement.

2. Services. InCube agrees to provide the services described in this Section 2 (the "**Services**") to Rani, and Rani agrees to pay InCube the compensation described in **Exhibit A** attached hereto for InCube's performance of such Services:

2.1 Occupancy. During the Term of this Agreement, InCube shall allow Rani to occupy approximately 22,000 square feet of space at 2051 Ringwood Ave., San Jose, CA 95131 including fully functional and equipped electronic and chemistry labs, biology labs, qualified clean rooms, production and manufacturing area, designated offices, conference rooms and common areas. Rani may request additional space from time to time, and InCube may provide such space upon availability and charge Rani for such space at a mutually agreed upon rate in accordance with this Agreement.

2.2 R&D Services. InCube shall provide Rani with research and technology development services. These services may include but shall not be limited to:

- Continued development of the oral bio-therapeutic technology
- Prototype manufacturing process and development of oral delivery devices
- Formulation of drugs

- In-vitro studies
- In-vivo animal studies
- Documentation
- Manufacturing Services
- QA services

2.3 G&A Services. InCube shall provide to Rani certain administrative services. Administrative services shall include accounting and finance functions, HR support, IT support services, facilities management, administrative support functions, and any other general and operational functions as may be necessary.

2.4 Other Services. InCube shall provide certain additional services to Rani. These additional services may include, but shall not be limited to, intellectual property diligence and maintenance, general legal support, support services with respect to both product and business development, PR support and customer relations, support with financing and investor relations, and other support services.

3. Consideration for Services. In exchange for the Services provided to Rani as described in Section 2 of this Agreement, InCube shall invoice Rani at the end of each month, with each invoice containing a list of the Services provided and a calculation of the price for such Services in accordance with **Exhibit A**. Invoices for recurring services provided to Rani for a flat fee, such as Occupancy Services and G&A Services, as described in Exhibit A will not have any attachments as a backup. Instead the invoice will carry a reference to the Service Agreement and its Exhibit A. Rani shall remit timely payments to InCube. Terms of payment are set at Net-30.

InCube may, from time to time, charge Rani certain fees to cover the cost of certain extraordinary expenses such as, but not limited to, the cost of HVAC repair, maintenance or replacement, or the construction and or modification of certain types of labs or cleanrooms specific to Rani's usage, and any other additional fee or expense incurred on behalf of Rani and paid out by InCube for services specific to Rani. Any such additional costs shall be invoiced to Rani at cost.

4. Standard of Care. In providing the Services hereunder, InCube shall use the same standard of skill and care that it uses in the course of undertaking similar services for itself; provided, however, nothing in this Agreement shall be constructed as a guaranty or warranty of any type on the part of InCube with respect to the adequacy of the Services, the skill or fitness of personnel performing the Services hereunder for any particular job, or the results achieved as a result of the Services performed. Each Party hereby acknowledges the provisions of Section 9, regarding limitations of liability for the Services to be rendered hereunder.

5. Intellectual Property.

5.1 Field of Use will mean "ORAL DELIVERY OF BIOTHERAPEUTIC AGENTS SUCH AS PEPTIDES, PROTEINS & ANTIBODIES" but excludes "SWALLOWABLE DEVICES THAT DO NOT DELIVER SUCH DRUGS ORALLY".

5.2 IP Rights. Any and all inventions (whether or not patentable), works of authorship, designations, designs, know-how, and ideas made or conceived or reduced to practice,
in whole or in part, by (or on behalf of) InCube in its performance of the Services ("**Inventions**"), and all intellectual property rights therein, shall be subject to that certain Intellectual Property Agreement between the Parties, dated June 14, 2012 ("**IPA**"), including the assignments and licenses set forth therein, and shall be deemed InCube Inventions as defined in the IPA. InCube will promptly disclose all Inventions to Rani.

6. Independent Contractor. InCube agrees to perform the Services as an independent contractor and not as an employee or agent of Rani, and all persons employed by InCube or permitted subcontractors of InCube, if any, shall perform the Services as employees or agents of InCube and not the employees or agents of Rani.

7. Assignment and Subcontract. InCube may subcontract or delegate its duties under this Agreement to third parties without Rani's prior written consent.

8. Confidentiality. During the Term of this Agreement and for so long as Confidential Information (defined below) disclosed by one Party to the other remains proprietary or confidential, neither Party will make any use of or disclose any Confidential Information of the other Party, except for the purpose of providing the Services pursuant to this Agreement. For purposes of this Agreement, the term "**Confidential Information**" shall mean any information that might reasonably be considered to be confidential, secret, sensitive, proprietary or private, including but not limited to business plans, inventions, processes, products or proposed products, studies, market analyses, distributor and customer lists, production techniques, product formulations, and internal documentation (whether or not marked "confidential"), but excluding information which is or becomes available to the general public through no fault of the receiving Party. Each Party will take reasonable steps to prevent the unauthorized disclosure of Confidential Information of the other Party by its employees and agents, including restricting access to Confidential Information to those employees and persons on a need-to-know-basis.

9. Limitation of Liability. IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL OR INDIRECT DAMAGES ARISING IN ANY WAY OUT OF THIS AGREEMENT, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY, WHETHER BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, NOTWITHSTANDING THE FACT THAT A PARTY IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING THE FAILURE OF AN ESSENTIAL PURPOSE OF ANY LIMITED REMEDY.

10. Term and Termination.

10.1 Term. This Agreement shall be valid for a twelve (12) month period from the Effective Date (the "**Term**") and upon expiration thereof, the Parties may renew this Agreement pursuant to the terms and conditions defined herein upon mutual consent, or as they may otherwise agree in writing.

10.2 Termination. Rani may terminate this Agreement upon ninety (90) days prior written notice for any or no reason. Termination of this Agreement for any reason shall be without prejudice to any rights that shall have accrued to the benefit of either Party prior to such termination and shall not relieve either Party of their rights and responsibilities, prior to such termination. Any termination shall be subject to the provisions of Section 11.4 hereof.

11. Miscellaneous.

11.1 Governing Law. This Agreement shall be construed in accordance with and governed by California law, without reference to principles of conflicts of laws.

11.2 Further Assurance. At any time or from time to time on and after the Effective Date, either Party shall at the request of the other Party, execute, deliver and cooperate with the other Party's reasonable request, and provide such records, data or other documents, consistent with the provisions of this Agreement.

11.3 No Third Party Beneficiaries. The Parties intend that only InCube and Rani will benefit from and are entitled to enforce the provisions of this Agreement and that no third party beneficiary is intended under this Agreement. Neither Party shall be liable to the other Party or to any third person with respect to obligations or liabilities incurred by either Party in connection with their separate business operations unrelated to the matters covered by this Agreement.

11.4 Survival. Any obligations and duties that by their nature extend beyond the expiration or earlier termination of this Agreement, including without limitation Sections 5, 6, 8, and 9, shall survive any such expiration or termination and remain in effect.

11.5 Headings. All section headings herein are for convenience only and are in no way to be construed as part of this Agreement or as a limitation or expansion of the scope of the particular sections to which they refer.

11.6 Integration. This Agreement represents the entire agreement and understanding of the Parties relating to the subject matter hereof and merges all prior or contemporaneous understandings (whether written, verbal or implied) with respect thereto. Each InCube invoice will include relevant documentation and paperwork substantiating the Services rendered to Rani. To the extent that any terms and conditions in the invoices or other documentation or paperwork conflict with those of this Agreement, the terms and conditions of this Agreement shall control.

11.7 Modification; Waiver. No amendment or modification hereof shall be valid or binding upon the Parties unless made in writing and signed by the duly authorized representatives of both Parties. The waiver by either Party of a breach of any provision of this Agreement or the failure by either Party to exercise any right hereunder shall not operate or be construed as a waiver of any subsequent breach of that right or as a waiver of any other right.

11.8 Severability. In the event that any provision or provisions of this Agreement shall be held to be unenforceable, invalid, or illegal by a court of competent jurisdiction, this Agreement shall continue in full force and effect without said provision. The Parties shall renegotiate those provisions in good faith to be valid, enforceable substitute provisions which provisions shall reflect as closely as possible the intent of the original provisions of this Agreement.

11.9 Notices. Any notice required or permitted to be given under this Agreement shall be delivered by registered or certified mail, postage prepaid, return receipt requested, to the address of the other Party set forth above, or to such other address as a Party may designate by written notice. Notice shall be deemed affective when received, or if not received by reason of fault of addressee, when delivered.

11.10 Resolution of Disputes. If any dispute arises pursuant to this Agreement, InCube and Rani shall attempt to resolve such dispute by good faith negotiation. Neither Party shall commence any legal action with respect to any such dispute unless such dispute has first been presented for resolution to the managing members of the respective Parties to this Agreement at a meeting between them and no resolution has been reached on such dispute within ninety (90) days following the date of such meeting.

11.11 Counterparts. This Agreement may be executed in any number of counterpart originals, each of which shall be deemed an original instrument for all purposes, but all of which shall comprise one and the same instrument. This Agreement shall be enforceable in accordance with its terms when signed by the Party sought to be bound. This Agreement may be delivered by facsimile and a facsimile of this Agreement shall be deemed to be original for all purposes and binding as an original.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed, effective as of the Effective Date.

Rani Therapeutics, LLC	**InCube Labs, LLC**
/s/ Svai Sanford Signed	*/s/ Mir Imran* Signed
By: Svai Sanford	By: Mir Imran

Exhibit A

Service Rates – 2019

(Effective January 1st, 2019)

Occupancy Services: For occupancy services described in Section 2.1 of the Agreement, InCube will invoice Rani for approximately 22,000 square feet of occupancy at 2051 Ringwood Ave., San Jose, CA 95131 at a full-service rate of $4.00 per square foot. Rani shall pay a monthly flat fee of $88,000. This fee will be adjusted for any additional space. This fee will be subject to annual review and revision upon mutual consent of the Parties.

R&D Services: For R&D services as described in Section 2.2 of the Agreement, InCube will invoice Rani monthly for the actual hours of the scientists, engineers, technicians, purchasing, legal and quality assurance personnel. The billing will be calculated using an hourly billing rate for each of its employee's services. The hourly billing rate will be calculated by adding the employee's salary, fringe benefits and markup and dividing the total by 2,080 hours. The computation of the employee's fringe benefits and markup are outlined in the chart below:

R&D Services:	Salary	Fringe Benefits	Markup %
Scientists and Engineers	Cost	22% of Salary	150% of Salary +Fringe Benefits
Quality Assurance	Cost	22% of Salary	50% of Salary +Fringe Benefits
Legal / Patent	Cost	22% of Salary	50% of Salary +Fringe Benefits
Purchasing	Cost	22% of Salary	50% of Salary +Fringe Benefits
2019 New Hires*	Cost	22% of Salary	10% of Salary +Fringe Benefits

* 2019 new hire markup of 10% will not apply to new hires who are replacing dedicated Rani employees that have left InCube Labs, LLC.

The effective markup rate for new hire replacements will follow the same markup of the former dedicated Rani employee that he or she has replaced.

InCube will attach the list of the R&D employees' hours with each invoice as documentation.

G&A Services: For G&A services as described in Section 2.3 of the Agreement, InCube will bill Rani for a monthly flat fee of $107,600. This fee will be subject to review and revision semiannually, upon mutual consent of the Parties. The fee comprises of the following components:

a. Accounting & financial services: A monthly recurring charge of $50,800, based on a flat fee for the services of a 62% FTE controller, assistant controller, accounting manager, GL supervisor, and an AP staff. Dedicated CFO services will be billed at salary cost and fringe benefits at 22% of salary cost.

b. IT Services: A monthly recurring charge of $20,000, based on 62% of an FTE for the director of IT, a system administrator and assistant administrator.

c. Facility Services: A monthly recurring charge of $6,000 based on 62% of an FTE for the facilities director.

d. HR Services and Administrative Support: A monthly recurring charge of $30,800 based on 62% FTE HR director, a recruiting coordinator, and two administrative assistants.

Other Services: For Other Services as described in Section 2.4 of the Agreement, InCube will invoice Rani for the actual hours of business development personnel and investor relations team
services. The billing will be calculated using an hourly billing rate for each of its employee's services. The hourly billing rate will be calculated by adding the employee's salary, fringe benefits and markup and dividing the total by 2,080 hours. The computation of the employee's fringe benefits and markup are outlined in the chart below:

Other Services:	Salary	Fringe Benefits	Markup %
Investor Relations	Cost	22% of Salary	50% of Salary +Fringe Benefits
Business Development	Cost	22% of Salary	50% of Salary +Fringe Benefits

As documentation, InCube will attach a list of such employees' hours with each invoice.

Rani Therapeutics, LLC

/s/ Svai Sanford
Signed

By: Svai Sanford, CFO

Date: 01/15/2019

InCube Labs, LLC

/s/ Mir Imran
Signed

By: Mir Imran, President & CEO

Date: 2/15/2019

InCube Labs, LLC

/s/ Gary Dang
Signed

By: Gary Dang, VP Finance & Admin.

Date: 01/15/2019

AMENDMENT NO. 1 TO SERVICE AGREEMENT

BETWEEN INCUBE LABS, LLC AND RANI THERAPEUTICS, LLC

This Amendment No. 1 (the **"Amendment")** amends the Service Agreement with an effective date of January 1, 2019, by and between Rani Therapeutics, LLC **("Rani")** and InCube Labs, LLC **("InCube")** and is effective as of January 1, 2020.

WHEREAS, Rani and InCube now wish to amend the Service Agreement in the manner set forth below.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Amendment and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Rani and InCube hereby agree as follows:

1. Amendments. Exhibit A of the Service Agreement is hereby deleted in its entirety and replaced with the attached Amended Exhibit A Service Rates — 2020.

2. Full Force and Effect. To the extent not expressly amended hereby, the Service Agreement and the prior Amendment remain in full force and effect.

3. Entire Agreement. This Amendment, together with the Service Agreement, represent the entire agreement of the parties and shall supersede any and all previous contracts, arrangements or understandings between the parties with respect to the subject matter herein.

4. Governing Law. This Amendment shall be governed by and construed and interpreted under the laws of the State of California without reference to conflicts of law principles.

5. Modification. This Amendment may not be altered, amended or modified in any way except by written consent of Rani and InCube. Waiver of any term or provision of this Amendment or forbearance to enforce any term or provision by any party shall not constitute a waiver as to any subsequent breach or failure of the same term or provision or a waiver of any other term or provision of this Amendment.

6. Counterparts. This Amendment may be executed in counterparts, each of which shall be declared an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of the day and year first above written.

RANI THERAPEUTICS, LLC

By: Svai Sanford, CFO

Signed: */s/ Svai Sanford*

Date: January 31, 2020

INCUBE LABS, LLC

By: Gary Dang, VP Finance

Signed: */s/ Gary Dang*

Date: January 31, 2020

[Signature Page to Amendment No. 1 to Service Agreement]

Amended Exhibit A

Service Rates — 2020

(Effective January 1, 2020 through December 31, 2020)

Occupancy Services: For occupancy services described in Section 2.1 of the Agreement, InCube will invoice Rani for approximately 22,000 square feet of occupancy at 2051 Ringwood Ave., San Jose, CA 95131 at a full- service rate of $2.96 per square foot. Rani shall pay a monthly flat fee of $65,017.59. This fee will be adjusted for any additional space. InCube will also invoice Rani for common area costs shared by Rani and InCube at cost with no markup. These fees will be subject to semi-annual review and revision upon mutual consent of the Parties.

R&D Services: For R&D services as described in Section 2.2 of the Agreement, InCube will invoice Rani monthly for the actual hours of the scientists, engineers, technicians, purchasing, legal and quality assurance personnel. The billing will be calculated using an hourly billing rate for each of its employee's services. The hourly billing rate will be calculated by adding the employee's salary, fringe benefits and markup and dividing the total by 2,080 hours. The computation of the employee's fringe benefits and markup are outlined in the chart below:

R&D Services:	Salary	Fringe Benefits	Markup %
Scientists and Engineers	Cost	22% of Salary	75% of Salary
Quality Assurance	Cost	22% of Salary	25% of Salary
Legal / Patent	Cost	22% of Salary	25% of Salary
Purchasing	Cost	22% of Salary	25% of Salary

InCube will attach the list of the R&D employees' hours with each invoice as documentation.

G&A Services: For G&A services as described in Section 2.3 of the Agreement, InCube will bill Rani for a monthly flat fee of $43,200. This fee will be subject to review and revision semi-annually, upon mutual consent of the Parties. The fee comprises of the following components:

a. Accounting & financial services: A monthly recurring charge of $7,130, based on estimated shared services for a VP of Finance.

b. IT Services: A monthly recurring charge of $16,740, based on estimated shared services for an FTE for the director of IT, a system administrator and assistant administrator.

c. Facility Services: A monthly recurring charge of $5,330 based on estimated shared services for an FTE for the facilities director.

d. HR Services and Administrative Support: A monthly recurring charge of $14,000 based on estimated shared services for an FTE HR director and office manager.

Other Services: For Other Services as described in Section 2.4 of the Agreement, InCube will invoice Rani for the actual hours of business development personnel and investor relations team services. The billing will be calculated using an hourly billing rate for each of its employee's services. The hourly billing rate will be calculated by adding the employee's salary, fringe benefits and markup and dividing the total by 2,080 hours. The computation of the employee's fringe benefits and markup are outlined in the chart below:

Other Services:	Salary	Fringe Benefits	Markup %
Investor Relations	Cost	22% of Salary	25% of Salary
Business Development	Cost	22% of Salary	25% of Salary

As documentation, InCube will attach a list of such employees' hours with each invoice.

InCube Labs, LLC – Rani Therapeutics, LLC

SERVICE AGREEMENT

This service agreement (this "**Agreement**"), is made and entered into effective as of January 1, 2021 (the "**Effective Date**") by and between InCube Labs, LLC, a Delaware limited liability company ("**InCube**"), and Rani Therapeutics, LLC, a California limited liability company ("**Rani**"), each a "**Party**" and collectively the "**Parties**."

WHEREAS, each Party is, or may be, desirous of providing to and/or receiving from the other Party certain services;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties agree as follows:

1. Services. Either Party (as "**Provider**" of services) may provide any one or more of the following services to the other Party (as "**Recipient**" of the services) during the Term of this Agreement:

1.1 Intentionally omitted ("**Occupancy Services**").

1.2 Intentionally omitted ("**Shared Costs**" related to Occupancy Services).

1.3 Provider may provide certain general or administrative services to Recipient upon request, subject to availability of resources ("**Administrative Services**"). Administrative Services may include but will not be limited to services related to accounting, human resources, recruiting, banking, facilities, office services, administration, data security, and/or information technology (IT).

1.4 Provider may provide personnel services other than those provided as Administrative Services to Recipient upon request, subject to availability of resources ("**Personnel Services**"). These services may include but will not be limited to services related to prototype development, manufacturing process development, formulation of drugs, in-vitro studies, in-vivo studies, project management, documentation, purchasing, quality control, quality assurance, intellectual property, legal, regulatory, investor relations, and/or business development.

1.5 From time to time, one Party may incur additional costs on behalf of the other Party to accommodate special requests of that other Party ("**Special Services**"). Non-limiting examples of such requests include purchase of equipment, modification to existing labs, construction of new labs, construction of clean rooms, construction of office space, other facility modifications, development and/or manufacture of test equipment, development and/or manufacture of components, development of processes, financial audits, special accounting projects, system implementation and validation, implementation of manufacturing and quality control processes, and securing funding for that other Party.

1.6 This Agreement is a master agreement, with the agreed Services to be provided set out in Exhibit A attached hereto and made a part hereof. Neither Party will have an obligation to perform any service unless set forth as an obligation on Exhibit A.

2. Changes to the Services.

2.1 If a Party wishes to make a change to the terms of any service, it will provide to the other Party in writing the details of the requested change, including the proposed timing of the change and its expected impact on the delivery of the service and cost. The Parties will consider the requested change in good faith, but neither Party will be obligated to accept any requested change to the service. If the Parties are willing to accept the requested change, the Parties will negotiate in good faith the changed terms and conditions, which will be set out on an amended Exhibit A adopted in accordance with Section 16.2.

2.2 Recipient may from time to time request that Provider provide an additional service that is not included on Exhibit A. Provider will consider each such request in good faith. If Provider is willing to provide such additional service, the Parties will negotiate in good faith the terms and conditions for such additional service. Any such additional service will be set out on an amended Exhibit A adopted in accordance with Section 16.2.

2.3 The obligation of Provider to provide a service to Recipient will terminate (with respect to that service) on the end date specified on Exhibit A for that service (the "**End Date**" for that service); provided, however, that Recipient may request continued performance after the scheduled End Date (an "**Extension Request**" for that service). Provider will consider any Extension Request in good faith and, if willing to continue performance after the scheduled End Date, the Parties will negotiate in good faith the terms and conditions for the continuation of that service, which will be set out on an amended Exhibit A adopted in accordance with Section 16.2. If no End Date is specified for a particular service, then the End Date for that service will be the earlier of the date of expiration or termination of Exhibit A or the date of expiration or termination of this Agreement.

3. Invoice and Payment.

3.1 Charges for services described in Section 1 will be as set forth on Exhibit A.

3.2 In exchange for services provided as described under Section 1, to the extent that Provider has performed services, Provider can invoice Recipient for such services in accordance with Exhibit A. Each invoice will include, as applicable, relevant documentation and paperwork substantiating the invoiced charges.

3.3 If Provider or any of its Subcontractors (as defined herein) incurs reasonable and documented out-of-pocket expenses in providing any service to Recipient ("**Out-of-Pocket Costs**"), Recipient will reimburse Provider for such Out-of-Pocket Costs in accordance with the invoicing and payment procedures set out in this Section 3; provided, however, that, except as otherwise specified on Exhibit A, Out-of-Pocket Costs will exclude any fees payable to any Subcontractor for providing any service. Non-limiting examples of Out-of-Pocket Costs include recruitment expenses, subscription fees, meals and entertainment expenses, advisory board meeting expenses, software licensing fees, and banking fees, to the extent necessitated by provision of the services.

3.4 Each Party will remit payment on a received invoice within thirty (30) days of the invoice being delivered. An invoice will be deemed to be delivered when sent via email or facsimile or delivered by hand, or three days after submission to a delivery service for delivery.

3.5 If Recipient disputes the amount of an invoice, Recipient will deliver a written statement to Provider not later than five days before the payment due date listing all disputed items and describing in reasonable detail the reasons for dispute with respect to each item disputed. Any amounts not so disputed will be deemed accepted and payable (despite disputes on other items) as provided in Section 3.4. The Parties will seek to resolve all such disputes expeditiously and in good faith.

3.6 Any undisputed invoice not paid within thirty (30) days of the invoice being delivered will accrue interest on the amount past due at a rate of one percent (1%) per month thereafter, or the highest rate permitted by applicable law, whichever is less, from the due date until the date that the invoicing Party receives payment of such past due amount. Each Party also agrees to pay reasonable attorneys' fees and other costs of collection incurred with respect to any past due amount.

3.7 During the Term of this Agreement and for two (2) years thereafter, each Party agrees to maintain accurate books and records related to services provided to the other Party. Upon reasonable written request during the Term of this Agreement and for two (2) years thereafter, each Party will make such books and records available to the other Party or its representatives (at that other Party's sole expense) during the regular business hours of the location at which the books and records are made available.

3.8 The prices set out for the services are exclusive of taxes. Recipient will be responsible for all sales, goods, use, services, excise, value added, and other similar transactions taxes imposed or assessed in connection with the provision of the services. Recipient will pay Provider without any deductions made for taxes of any kind, and will pay any and all taxes which Provider is required to collect under applicable law.

4. Standard of Care.

4.1 Provider will use commercially reasonable efforts to provide or cause to be provided each service in compliance with applicable law and in accordance with Exhibit A, and Provider will provide or cause to be provided each service in a manner generally consistent with and using the same standard of care as services Provider provides or causes to be provided to its own business, but no less than a reasonable standard of care; provided, however, that nothing in this Agreement will be construed as a guaranty or warranty of any type with respect to the adequacy of the services, the skill or fitness of personnel performing the services for any particular job, or the results achieved as a result of the services performed.

4.2 Provider will allocate or cause to be allocated sufficient resources and qualified personnel as are reasonably required to perform the services agreed and set forth on Exhibit A in accordance with the standards set out in Section 4.1.

5. Employee and Subcontractor Status.

5.1 Each Party agrees to perform services pursuant to this Agreement as an independent contractor and not as an employee or agent of the other Party.

5.1.1 Provider will control the manner, means and resources used to provide services, unless otherwise specified on Exhibit A.

5.1.2 Recipient will not be responsible for the payment and provision of wages, bonuses, commissions, employee benefits, and the withholding and payment of applicable taxes relating to employees of Provider.

5.1.3 Neither Party will have control of employees of the other Party. For clarity, to the extent that any services include management of Recipient's employees, Recipient will retain control of said employees although Provider may direct tasks of, and evaluate performance of, said employees.

5.2 Except as otherwise specified on Exhibit A, Provider may retain a third party as determined by Provider to be needed for full performance under this Agreement. Such third party (e.g., consultant or subcontractor (which may be an affiliate)) may be referred to as a "**Subcontractor**" herein; such reference in this Agreement is made for convenience only and will not be construed as changing the status of such third party with respect to any Party.

5.2.1 Provider will remain fully responsible for satisfactory performance of the services it provides even if such services are performed by a Subcontractor.

5.2.2 Recipient will not be responsible for the payment and provision of wages, bonuses, commissions, employee benefits, and the withholding and payment of all applicable taxes relating to employees of Provider's Subcontractors.

5.2.3 Neither Party will have control of employees of the other Party's Subcontractors. For clarity, to the extent that any services include management of employees of Provider's Subcontractors, such Subcontractors will retain control of said employees although Provider may direct tasks of, and evaluate performance of, said employees.

5.3 No employees of either Party will be fully dedicated to providing services to the other Party under this Agreement unless so specified in Exhibit A.

5.4 Notwithstanding Section 5.1 and Section 5.2, Recipient may reject provision of services by one or more persons or companies selected by Provider if there is a reasonable business purpose for doing so.

6. Confidentiality.

6.1 Except as otherwise provided herein, each Party will maintain in confidence, and will not use for any purpose or disclose to any third party information disclosed by the other Party in writing and marked "confidential" or that is disclosed orally and confirmed in writing as confidential within 45 days following such disclosure, or that by its nature would reasonably be considered to be confidential or proprietary (collectively, "**Confidential Information**"). Confidential Information will not include any information that: (i) is already known to the receiving Party at the time of disclosure hereunder, (ii) is now or hereafter becomes publicly known other than through acts or omissions of the receiving Party, (iii) is disclosed to the receiving Party by a third party under no obligation of confidentiality to the disclosing Party, or (iv) is independently developed by the receiving Party without reference to the Confidential Information of the disclosing Party.

6.2 Notwithstanding the provisions of Section 6.1, each Party may use or disclose Confidential Information in exercising its rights hereunder or fulfilling its obligations and duties hereunder and in prosecuting or maintaining any proprietary rights, prosecuting or defending any legal action, complying with applicable governmental regulations, and submitting information to tax or other governmental authorities, provided that, if the Party is required by law to make any disclosures of Confidential Information of the other, to the extent it may legally do so, the Party will give reasonable advance notice to the other of such disclosure, limit the disclosure to only the minimum information necessary, and will use its reasonable efforts to secure confidential treatment of Confidential Information prior to its disclosure (whether through protective orders or otherwise).

7. Intellectual Property.

7.1 "**Intellectual Property Asset**" ("**IPA**") means any invention, work of authorship, designation, design, formulation, formula, materials, data, know-how, idea, Patent Asset, copyright, software, firmware, algorithm, trademark, tradename, trade secret, domain name, mask work, original document or compilation, or other intellectual property including but not limited to all related alterations, improvements, modifications, revisions, adaptations, translations, enhancements or other derivative works thereto. "**Patent Asset**" means a patent application filed in any jurisdiction, together with any patent application claiming priority thereto (including but not limited to continuation, divisional, substitution, or national phase and validation applications claiming priority thereto; provided that, in the case of a continuation-in-part patent application, only with respect to a patent issued thereon and only to the extent that the claims in that issued patent are supported in the application(s) to which priority is claimed), and patents issuing on said patent application or patent applications claiming priority thereto (where issued patents include without limitation registrations, reissues, reexaminations and extensions).

7.2 Ownership of IPA is to be determined as follows:

7.2.1 IPA conceived or created by Mir A. Imran is not part of this Agreement.

7.2.2 Any IPA conceived or created during the Term of this Agreement by InCube performing Personnel Services for Rani at Rani's request will be owned by: (i) Rani if the IPA has applicability only within the Field of Use, (ii) InCube if the IPA has no applicability within the Field of Use, or (iii) InCube if the IPA has applicability both within and outside the Field of Use ("**Multi-Use IPA**"), and InCube will grant to Rani a worldwide, exclusive license under the Multi-Use IPA for all applications within the Field of Use, and the Parties will negotiate the terms of such license in good faith. "**Field of Use**" means oral delivery of sensors, small molecule drugs or biologic drugs including, any peptide, antibody, protein, cell therapy, gene therapy or vaccine.

7.2.3 At Rani's request, InCube will submit to Rani a copy of all invention disclosures and patent applications that InCube believes fall under Section 7.2.2(iii) as having applicability both within and outside the Field of Use. At Rani's request, the Parties will form a patent review committee to determine whether such IPA should instead fall under Section 7.2.2(i) and thus be assigned to Rani under Section 7.3. Such patent review committee will include an equal number of members from each of InCube and Rani, plus at least one independent member on whom both Parties agree.

7.2.4 As of the Effective Date, Rani is not expected to provide Personnel Services to InCube. Accordingly, IPA conceived or created by Rani is not part of this Agreement.

7.3 InCube hereby irrevocably assigns to Rani InCube's entire right, title and interest in and to, including all intellectual property rights embodied therein, (i) IPA owned by Rani under Section 7.2.2(i), and (ii) IPA that should be assigned to Rani as determined by the patent committee under Section 7.2.3.

7.4 InCube agrees to assist and to cause each of its employees to assist Rani or its designee in every proper way to secure Rani's rights, title and interest in and to IPA assigned to Rani under Section 7.3 in any and all countries, including the disclosure to Rani of all pertinent information and data with respect to the assigned IPA, and the execution of all applications, specifications, oaths, assignments and all other instruments that Rani may reasonably deem necessary to secure Rani's intellectual property rights under this Agreement.

7.5 Nothing in this Agreement will be construed as requiring a transfer or license of any IPA from one Party to the other Party which IPA was conceived or created prior to the Effective Date of this Agreement.

8. Limitation of Liability.

8.1 NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, NEITHER PROVIDER NOR ANY OF ITS AFFILIATES WILL BE LIABLE HEREUNDER (INCLUDING FOR ANY LIABILITY FOR ANY ACTS OR OMISSIONS OF ITS EMPLOYEES, AGENTS OR SUBCONTRACTORS) FOR ANY INCIDENTAL, PUNITIVE OR INDIRECT DAMAGES, EVEN IF ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF THE FORM OF ACTION THROUGH WHICH SUCH DAMAGES ARE SOUGHT.

8.2 Except in the case of gross negligence or willful misconduct of a Party (as Provider), the maximum aggregate amount for which Provider may be liable to Recipient as the result of an action brought in connection with or as a result of this Agreement or the provision of services hereunder at issue will not exceed the combined aggregate service fees received by the Provider for such services under this Agreement.

9. Indemnification.

9.1 Subject to Section 8, Recipient will indemnify and hold harmless Provider, its affiliates and each of their respective officers, directors, members, agents, employees, and representatives (including Subcontractors) (collectively, the "**Provider Indemnified Parties**") from and against any and all losses, liabilities, claims, damages, actions, fines, penalties, expenses or costs (including court costs and reasonable attorneys' fees) ("**Losses**") suffered or incurred by any Provider Indemnified Party arising from or relating to any claim (including any hearing, inquiry or investigation that may reasonably lead to the institution of any such action, suit, proceeding or alternative dispute resolution mechanism) by a third party (any, a "**Claim**") arising from or in connection with the performance of a service requested by Recipient and performed by Provider under this Agreement, other than by reason of gross negligence or willful misconduct of Provider or any of its Subcontractors in the provision of that service.

9.2 Subject to Section 8, Provider will indemnify and hold harmless Recipient, its Affiliates and each of their respective officers, directors, members, agents, and representatives (collectively, the "**Recipient Indemnified Parties**") from and against any and all Losses suffered or incurred by any Recipient Indemnified Party arising from or relating to any Claim arising from or in connection with the negligence or willful misconduct of Provider or any of its Subcontractors in the provision of a service.

10. Disclaimer of Warranties. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, PROVIDER EXPRESSLY DISCLAIMS ANY AND ALL REPRESENTATIONS OR WARRANTIES, WHETHER EXPRESS, IMPLIED, OR STATUTORY, WITH RESPECT TO THE SERVICES, INCLUDING WARRANTIES OF MERCHANTABILITY, SUITABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE OR TRADE USAGE.

11. Term and Termination.

11.1 This Agreement will be effective for a twelve (12) month period starting from the Effective Date (the "**Term**"), and will automatically renew on each anniversary of the Effective Date for another twelve (12) month period unless terminated in accordance with this Section 11.

11.2 The Parties may terminate one or more services.

11.2.1 The Parties may terminate any one or more ongoing services at any time by mutual written agreement, with invoice and payment for any services partially performed prior to such termination to be determined according to that mutual written agreement.

11.2.2 Recipient may terminate an individual service, but not all services, upon sixty (60) days' written notice to Provider prior to any performance of that service; Recipient will reimburse Provider for actual non-recoverable costs arising prior to termination of that service, which costs arose when, and to the extent that, Provider reasonably obtained or contracted in advance for personnel, resources, supplies, and/or materials reasonably needed to perform that terminated service.

11.2.3 A termination of an individual service will not terminate this Agreement or any other service being provided under this Agreement.

11.3 This Agreement will automatically terminate in its entirety on the date six (6) months after the date on which Provider will have no further obligation to perform any services as a result of the completion, expiration or termination of all services in accordance with the terms of this Agreement.

11.4 The Parties may terminate this Agreement.

11.4.1 The Parties may terminate this Agreement by written agreement.

11.4.2 Either Party may terminate this Agreement upon six (6) months' prior written notice for any or no reason.

11.4.3 Either Party may, without limitation of any other remedies that may be available to it, terminate this Agreement at the occurrence of an Event of Default of the other Party. An "**Event of Default**" with respect to a Party (the "**Breaching Party**") will be deemed to occur if: (i) the Breaching Party has failed to perform any of its material obligations under this Agreement; (ii) the other Party (the "**Non-Breaching Party**") provides notice to the Breaching Party that the Breaching Party has failed to perform a material obligation under this Agreement; and (iii) such failure will have continued without cure (as reasonably determined by the Non-Breaching Party) for a period of thirty (30) days after delivery of such notice.

11.5 Termination of this Agreement under Section 11.3 or Section 11.4 will be without prejudice to any rights that will have accrued to either Party pursuant to this Agreement prior to such termination and will not relieve responsibilities that will have accrued to either Party pursuant to this Agreement prior to such termination.

11.6 Any rights, obligations and duties that by their nature extend beyond the expiration or earlier termination of this Agreement, including without limitation obligations and duties arising under Sections 3, 6, 7, 8, 9, 10, 11.5, 11.6, 13, 14, and 15, will survive any such expiration or termination and remain in effect.

12. Force Majeure. A Party (the "**Affected Party**") will not be liable for any interruption, delay or failure to perform any obligation under this Agreement when such interruption, delay or failure is due to causes beyond its reasonable control, including any strikes, lockouts, acts of any government, riot, insurrection or other hostilities, embargo, fuel or energy shortage, fire, flood, acts of God, pandemic, or a general inability not specific to the Affected Party or its Subcontractors to obtain necessary labor, materials or utilities. In any such event, obligations hereunder will be postponed for such time as the Affected Party's performance is suspended or delayed on account thereof and it will have

no liability to the other Party in connection therewith. The Affected Party will promptly notify the other Party, in writing, upon learning of the occurrence of such event of force majeure. Upon the cessation of the force majeure event, the Affected Party will use commercially reasonable efforts to resume its performance promptly. The other Party, however, may terminate this Agreement, terminate any future service in whole, or terminate any partially-performed service if the Affected Party has not resumed full performance of that service within 90 days from the start of the interruption, delay, or failure to perform under this Section 12; provided, however, that the terminating Party must provide at least thirty (30) days' notice of impending termination prior to such termination.

13. Transfer, Delegation, Assignment.

13.1 Neither this Agreement nor any of the rights, interests, or obligations hereunder will be transferred, assigned or delegated, in whole or in part, including by operation of law, by either Party without the prior written consent of the other Party.

13.2 This Agreement will be binding on and will inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

13.3 This Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to or will confer on any other person (other than the Provider Indemnified Parties and Recipient Indemnified Parties) any legal or equitable right, benefit, or remedy of any nature whatsoever.

14. Governing Law. To the extent state law is applicable, this Agreement will be interpreted and construed in accordance with the laws of the state of California without regard to conflict of laws principles or to which party drafted particular provisions of this Agreement.

15. Dispute Resolution.

15.1 Any dispute or controversy relating to the inventorship, ownership, scope, validity, enforceability, or infringement of any intellectual property rights will be submitted to a court of competent jurisdiction in the country or regional authority in which such intellectual property rights were granted or arose. In the United States of America (USA), the court of competent jurisdiction for patents and trademarks will be a federal court.

15.2 All disputes will be conducted in the English language, and the English original version of this Agreement (if subsequently translated) will be considered the only legal version.

15.3 For actions which fall outside of the arbitration provisions of Section 15.4, venue will be within Santa Clara County in the state of California, USA, and the Parties agree to personal jurisdiction of the courts within Santa Clara County.

15.4 Subject to Section 15.1, any dispute arising out of or relating in any way to this Agreement and/or the relationship between the Parties, including without limitation, claims for breach of contract, will be submitted to binding arbitration. By agreeing to arbitrate, the Parties are agreeing to waive their right to a jury trial. The arbitration will be conducted in accordance with this Agreement, the Federal Arbitration Act, and the JAMS Comprehensive Arbitration Rules & Procedures as in effect on the date of this Agreement (the "**JAMS Rules**"). In the event of a conflict, the provisions of the JAMS Rules will control, except where those JAMS Rules conflict with this Agreement, in which case this Agreement will control. The arbitration will be conducted before a three-arbitrator panel (the "**Panel**"), regardless of the size of the dispute, to be selected as provided in the JAMS Rules. Each arbitrator will be a former state or federal judge with at least five years of judicial experience. The arbitration will be commenced and held in Santa Clara County, California. Any issue concerning the location of the arbitration, the extent to which any dispute is subject to arbitration, the applicability, interpretation, or enforceability of these procedures, including any contention that all or part of these procedures are invalid or unenforceable, and any discovery disputes, will be resolved by the Panel. No potential arbitrator may serve unless he or she has agreed in writing to be bound by these procedures. Each Party will, upon the written request of the other Party, promptly provide the other with copies of all documents on which the producing Party may rely in support of

or in opposition to any claim or defense and a report of any expert whom the producing Party may call as a witness in the arbitration hearing. At the request of a Party, and upon the showing of good cause, the Panel will have the discretion to order production by the other Party or by a third party of other documents relevant to any claim or defense. Each Party will be entitled to take a maximum of three depositions, plus depositions of all experts designated to be witnesses at the arbitration. The depositions will be limited to a maximum of six hours per deposition. All objections are reserved for the arbitration hearing, except for objections based on privilege and proprietary or confidential information. The Panel upon a showing of good cause may order additional depositions or deposition hours. All aspects of the arbitration will be treated as confidential and neither the Parties nor the arbitrators may disclose the existence, content or results of the arbitration, except as necessary to comply with legal or regulatory requirements. Before making any such disclosure, a Party will give written notice to all other parties and will afford such parties a reasonable opportunity to protect their interests. The result of the arbitration will be binding on the Parties and judgment on the Panel's award may be entered in any court having jurisdiction. Nothing in this Section 15.4 will affect any Party's ability to seek from a court temporary or interim injunctive or equitable relief to protect a Party's rights under this Agreement or otherwise. Each Party will share equally the cost of the arbitration filing and hearing fees, the cost of an independent expert retained by the Panel, the cost of the Panel, and administrative fees of JAMS. Each Party will bear its own costs including its attorney and witness fees and associated costs and expenses. The Parties intend that these provisions will be valid, binding, enforceable, exclusive and irrevocable and will survive any termination of this Agreement. **BY SIGNING THIS AGREEMENT, THE PARTIES ARE AGREEING TO HAVE ANY ISSUE ARISING OUT OF OR RELATING IN ANY WAY TO THIS AGREEMENT OR THE RELATIONSHIP BETWEEN THE PARTIES DECIDED IN ARBITRATION, AND THE PARTIES ARE GIVING UP THEIR RIGHT TO A JURY OR COURT TRIAL.**

16. Miscellaneous.

16.1 This Agreement constitutes the entire agreement, and supersedes all prior agreements and understandings (both written and oral), among the Parties regarding the subject matter hereof. This Agreement specifically terminates all prior service agreements between the Parties. Exhibit A annexed hereto or referred to herein is hereby incorporated in and made a part of this Agreement as if fully set forth herein. Each Party acknowledges that the other has made no statement, representation, or warranty, and that it has not relied on any statement, representation, or warranty, regarding the services other than those specifically set out in this Agreement. To the extent that confirmations, invoices or other documentation or paperwork conflict with terms or conditions of this Agreement, the terms and conditions of this Agreement will control.

16.2 This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each Party. No waiver by any Party of any of the provisions of this Agreement will be effective unless explicitly set out in writing and signed by the waiving Party. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege under this Agreement will operate or be construed as a waiver thereof, nor will any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege. An amendment, modification, or supplement under this Section 16.2 may be in the form of a replacement or amended Exhibit A; such replacement or amended Exhibit A will only be effective when executed by an authorized representative of both Parties.

16.3 All section headings herein are for convenience only and are in no way to be construed as part of this Agreement or as a limitation or expansion of the scope of the particular sections to which they refer.

16.4 If any term or provision of this Agreement is deemed invalid, illegal, or unenforceable by a court of competent jurisdiction, such invalidity, illegality, or unenforceability will not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the Parties will negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

16.5 All notices, requests, consents, claims, demands, waivers, and other communications hereunder will be in writing and will be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the addresses provided for notice on the signature page (or at such other address for a party as will be specified in a notice given in accordance with this Section 16.5).

16.6 This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission will be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[The remainder of this page is intentionally left blank. A signature page follows.]

This Agreement will be binding on the Parties as of the Effective Date when signed below on behalf of each Party.

IN WITNESS WHEREOF, both Parties have executed this **Agreement** by their respective and duly authorized representatives.

INCUBE LABS, LLC
By:

/s/ Gary Dang
Signature

Gary Dang
Printed Name

VP, Finance and Accounting
Title

RANI THERAPEUTICS, LLC
By:

/s/ Svai Sanford
Signature

Svai Sanford
Printed Name

Chief Financial Officer
Title

Addresses for notice under Section 16.5:

InCube Labs, LLC
Attn: Legal Department
2051 Ringwood Ave.
San Jose, CA 95131

Rani Therapeutics, LLC
Attn: Legal Department
2051 Ringwood Ave.
San Jose, CA 95131

Exhibit-A

Service Rates – 2021

This original version of Exhibit A is effective beginning January 1, 2021. Any modification to, or replacement of, this Exhibit A must be made in accordance with Section 16.2 of this Agreement.

Definitions:

- "**Markup**" = 25% = 0.25
- "**Fringe**" = 22% = 0.22
- "**Hourly Billing Rate**":
    - for salaried employees, Hourly Billing Rate = (salary/2080) x (1 + Markup + Fringe)
    - for hourly employees, Hourly Billing Rate = (hourly wage) x (1 + Markup + Fringe)
- "**Actual Hours**" = actual hours incurred by Provider's employees on the requested Services, limited for salaried employees to 40 hours total per week per individual for all provided Services combined; and PTO, Flex, sick, holiday, bereavement, jury duty, or other time-off hours are not to be included in Actual Hours

Service	Obligations; Charges
Occupancy	Not applicable.
Shared Costs	Not applicable.
Administrative	InCube will provide Administrative Services to Rani at a fixed monthly rate to be evaluated at least quarterly, with a true-up at least quarterly. The initial rate is as set forth below. Invoice: • InCube can invoice Rani $47,607 per month initially. • InCube can invoice Rani for Out-of-Pocket Costs related to performance of the Administrative Services, without markup.
Personnel (other than Administrative)	InCube may provide Personnel Services to Rani upon request subject to availability of resources. Invoice: • InCube can invoice Rani for all Personnel Services performed by its employees, using the following formula: Invoiced amount = (Actual Hours) x (Hourly Billing Rate). • InCube can invoice Rani all amounts paid to a Subcontractor of InCube to perform the Personnel Services, without markup. • InCube can invoice Rani for Out-of-Pocket Costs related to performance of the Personnel Services, without markup.

Special InCube may provide Special Services to Rani upon request subject to availability of resources.

Invoice:

- InCube can invoice for all Special Services performed by its employees using the following formula: Invoiced amount = (Actual Hours) x (Hourly Billing Rate)
- InCube can invoice Rani all amounts paid to a Subcontractor of InCube to perform the Special Services, without markup.
- InCube can invoice Rani for Out-of-Pocket Costs related to performance of the Special Services, without markup.

IN WITNESS WHEREOF, the Parties hereto have caused this **Exhibit A** to be duly executed by their authorized representatives.

InCube Labs, LLC
By:

Signed: /s/ Gary Dang

Name: Gary Dang

Rani Therapeutics, LLC
By:

Signed: /s/ Svai Sanford

Name: Svai Sanford

Rani Management Services, Inc. - InCube Labs, LLC

SERVICE AGREEMENT

This service agreement (this "**Agreement**"), is made and entered into effective as of January 1, 2021 (the "**Effective Date**") by and between InCube Labs, LLC, a Delaware limited liability company ("**InCube**"), and Rani Management Services, Inc., a Delaware corporation ("**RMS**"), each a "**Party**" and collectively the "**Parties**."

WHEREAS, each Party is, or may be, desirous of providing to, and/or receiving from, the other Party certain services;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties agree as follows:

1. Services. Either Party (as "**Provider**" of services) may provide any one or more of the following services to the other Party (as "**Recipient**" of the services) during the Term of this Agreement:

1.1 Provider (as landlord) may allow Recipient and/or its affiliates (any and all, collectively, as tenant) to occupy a portion of Provider's facilities ("**Occupancy Services**"). Herein, the portion of the facilities agreed upon with respect to Occupancy Services is referred to as the "**Premises**", the portion of the Premises which will be exclusive to Recipient is referred to as the "**Exclusive Portion**", and the portion of the Premises which will be shared with Provider or its affiliates or other tenants is referred to as the "**Shared Portion**".

1.1.1 So long as there is no Event of Default with Recipient as the Breaching Party, Recipient will have access to the Premises twenty-four (24) hours a day, seven (7) days a week throughout the Term unless otherwise specified on an exhibit hereto.

1.1.2 Recipient will not permit the existence, maintenance, or commission, of any act, omission, or condition at the Premises by Recipient, or by its employees, agents, invitees, contractors, or vendors ("**Recipient's Invitees**"), that may constitute nuisance, unlawful acts, or unreasonable annoyance to other persons at or neighboring the Premises.

1.1.3 To the extent that Provider is not reimbursed by insurance proceeds, Recipient will reimburse Provider for the cost of repairing damage caused by the acts or omissions of Recipient or Recipient's Invitees, including an increase in the cost of insurance resulting from the damage if applicable.

1.1.4 Recipient agrees at all times during the Term, at its own expense, to maintain the Exclusive Portion in good and tenantable condition.

1.1.5 Recipient agrees at all times during the Term, at its own expense, to maintain (including repairing or replacing as needed) any item installed or provided for the exclusive use or benefit of Recipient, including as applicable and without limitation any equipment, backup generator, HVAC system, special flooring, fiber and other cabling, phone equipment, and data equipment.

1.1.6 Recipient will not make any alterations to the Premises without the prior written consent of Provider which consent will not be unreasonably withheld. Any alterations made by Recipient will be in accordance with the applicable laws, rules, codes, and regulations of the city, county, and state in which the Premises are located.

1.1.7 Recipient will not allow the Premises to be used in any manner that will harm or impair the structural strength of any building, nor allow to be installed or operated on the Premises any machinery or apparatus whose size, weight, vibration, or other aspect would harm or impair the structural strength of any building. Recipient will not place a heavy load upon the floor or roof of any building at the Premises without Provider's prior written consent. Machines and mechanical equipment used by Recipient which cause vibration or noise that may be transmitted to or within any building structure to such a degree as to be reasonably objectionable to Provider will be placed and maintained by Recipient at its expense in a manner to prevent/eliminate such vibration or noise.

1.1.8 Recipient will comply, at its sole cost, with any laws, regulations, ordinances, codes, certificate of occupancy, certificate of compliance, permit, easement, condition, covenant, or restriction covering or affecting Recipient's use or occupancy of the Premises.

1.1.9 Recipient will comply, at its sole cost, with all restrictions imposed by any insurance company insuring the Premises, to the extent that the restrictions concern Recipient's use or occupancy of the Premises.

1.1.10 Recipient will, at its sole cost, make any alteration, addition, or change to the Premises as may be required as a result of Recipient's application or registration for any permit or governmental approval, provided that Provider may elect to make same, in which case Recipient will reimburse Provider promptly upon demand for all costs of Provider's making same.

1.1.11 Subject to the foregoing provisions, Provider will keep and maintain in good condition: the roof, exterior walls, structural floor, and other structural parts of the Premises; pipes and conduits outside the Premises that furnish the Premises with various utilities (except to the extent that the same are the obligations of the appropriate utility company); and HVAC systems which service the Building in common; provided, however, that Provider will not be required to make repairs, and Recipient will pay for any repairs made, if necessitated by (i) the negligence or willful misconduct of Recipient or Recipient's Invitees, (ii) the failure of Recipient to perform or observe any terms or conditions of this Agreement, (iii) alterations, additions, or improvements made by or on behalf of Recipient, or (iv) intentional acts or omissions of Recipient or Recipient's Invitees.

1.1.12 Provider will be under no obligation to make any repairs, alterations, renewals, replacements or improvements to and upon the Premises or the mechanical equipment serving the Premises at any time except as this Agreement expressly provides.

1.2 The Parties will share operating costs to the extent that such operating costs are attributable to the Shared Portion ("**Shared Costs**").

1.2.1 Interior. Shared Costs will include sums expended for maintenance and repair of (without limitation): floor, wall, and ceiling surfaces; lighting, plumbing, and electrical systems; telephone systems; data networks; security systems; emergency lighting systems; emergency notification systems; fire protection systems; and directional signs. For a system with portions interior and exterior to a building, sums expended for maintenance and repair of the portion of the system extending outside any exterior wall of the building are excluded from Shared Costs.

1.2.2 Exterior. Shared Costs will include sums expended for maintenance and repair of (without limitation): building signs; sprinkler systems; landscaping including planters and decorative items; tables and seating; exterior lighting; and parking, sidewalks, and curbs (including resurfacing, painting, striping, and cleaning but excluding resurfacing).

1.2.3 Third-party services. Shared Costs will include sums expended for continuing third party services such as (without limitation): security services; janitorial services; landscape maintenance services; and onsite healthcare services.

1.2.4 Office supplies. Shared Costs will include sums expended for office supplies including (without limitation): writing utensils; writing paper and books; printing and copying paper; printer toner and ink; kitchen supplies; restroom supplies; and decorations (including seasonal).

1.2.5 Other. Shared Costs will include sums expended for: emergency services; and utility connection and use.

1.2.6 Exclusions. Shared Costs exclude sums expended for rebuilding or complete replacement of the structural portions of the buildings of the Premises; provided, however, that to the extent such rebuilding or replacement is due to damage attributable to Recipient or Recipient's Invitees (but not normal wear and tear), such sums will be treated under Section 1.1.3 above.

1.3 Provider may provide certain general or administrative services to Recipient upon request, subject to availability of resources ("**Administrative Services**"). Administrative Services may include but will not be limited to services related to accounting, human resources, recruiting, banking, facilities, office services, administration, data security, and/or information technology (IT).

1.4 Provider may provide personnel services other than those provided as Administrative Services to Recipient upon request, subject to availability of resources ("**Personnel Services**"). These services may include but will not be limited to services related to prototype development, manufacturing process development, formulation of drugs, in-vitro studies, in-vivo studies, project management, documentation, purchasing, quality control, quality assurance, intellectual property, legal, regulatory, investor relations, and/or business development.

1.5 From time to time, one Party may incur additional costs on behalf of the other Party to accommodate special requests of that other Party ("**Special Services**"). Non-limiting examples of such requests include purchase of equipment, modification to existing labs, construction of new labs, construction of clean rooms, construction of office space, other facility modifications, development and/or manufacture of test equipment, development and/or manufacture of components, development of processes, financial audits, special accounting projects, system implementation and validation, implementation of manufacturing and quality control processes, and securing funding for that other Party.

1.6 This Agreement is a master agreement, with the agreed Services to be provided set out in Exhibit A attached hereto and made a part hereof. Neither Party will have an obligation to perform any service unless set forth as an obligation on Exhibit A.

2. Changes to the Services.

2.1 If a Party wishes to make a change to the terms of any service, it will provide to the other Party in writing the details of the requested change, including the proposed timing of the change and its expected impact on the delivery of the service and cost. The Parties will consider the requested change in good faith, but neither Party will be obligated to accept any requested change to the service. If the Parties are willing to accept the requested change, the Parties will negotiate in good faith the changed terms and conditions, which will be set out on an amended Exhibit A adopted in accordance with Section 16.2.

2.2 Recipient may from time to time request that Provider provide an additional service that is not included on Exhibit A. Provider will consider each such request in good faith. If Provider is willing to provide such additional service, the Parties will negotiate in good faith the terms and conditions for such additional service. Any such additional service will be set out on an amended Exhibit A adopted in accordance with Section 16.2.

2.3 The obligation of Provider to provide a service to Recipient will terminate (with respect to that service) on the end date specified on Exhibit A for that service (the "**End Date**" for that service); provided, however, that Recipient may request continued performance after the scheduled End Date (an "**Extension Request**" for that service). Provider will consider any Extension Request in good faith and, if willing to continue performance after the scheduled End Date, the Parties will negotiate in good faith the terms and conditions for the continuation of that service, which will be set out on an amended Exhibit A adopted in accordance with Section 16.2. If no End Date is specified for a particular service, then the End Date for that service will be the earlier of the date of expiration or termination of Exhibit A or the date of expiration or termination of this Agreement.

3. Invoice and Payment.

3.1 Charges for services described in Section 1 will be as set forth on Exhibit A.

3.2 In exchange for services provided as described under Section 1, to the extent that Provider has performed services, Provider can invoice Recipient for such services in accordance with Exhibit A. Each invoice will include, as applicable, relevant documentation and paperwork substantiating the invoiced charges.

3.3 If Provider or any of its Subcontractors (as defined herein) incurs reasonable and documented out-of-pocket expenses in providing any service to Recipient ("**Out-of-Pocket Costs**"), Recipient will reimburse Provider for such Out-of-Pocket Costs in accordance with the invoicing and payment procedures set out in this Section 3; provided, however, that, except as otherwise specified on Exhibit A, Out-of-Pocket Costs will exclude any fees payable to any Subcontractor for providing any service. Non-limiting examples of Out-of-Pocket Costs include recruitment expenses, subscription fees, meals and entertainment expenses, advisory board meeting expenses, software licensing fees, and banking fees, to the extent necessitated by provision of the services.

3.4 Each Party will remit payment on a received invoice within thirty (30) days of the invoice being delivered. An invoice will be deemed to be delivered when sent via email or facsimile or delivered by hand, or three days after submission to a delivery service for delivery.

3.5 If Recipient disputes the amount of an invoice, Recipient will deliver a written statement to Provider not later than five days before the payment due date listing all disputed items and describing in reasonable detail the reasons for dispute with respect to each item disputed. Any amounts not so disputed will be deemed accepted and payable (despite disputes on other items) as provided in Section 3.4. The Parties will seek to resolve all such disputes expeditiously and in good faith.

3.6 Any undisputed invoice not paid within thirty (30) days of the invoice being delivered will accrue interest on the amount past due at a rate of one percent (1%) per month thereafter, or the highest rate permitted by applicable law, whichever is less, from the due date until the date that the invoicing Party receives payment of such past due amount. Each Party also agrees to pay reasonable attorneys' fees and other costs of collection incurred with respect to any past due amount.

3.7 During the Term of this Agreement and for two (2) years thereafter, each Party agrees to maintain accurate books and records related to services provided to the other Party. Upon reasonable written request during the Term of this Agreement and for two (2) years thereafter, each Party will make such books and records available to the other Party or its representatives (at that other Party's sole expense) during the regular business hours of the location at which the books and records are made available.

3.8 The prices set out for the services are exclusive of taxes. Recipient will be responsible for all sales, goods, use, services, excise, value added, and other similar transactions taxes imposed or assessed in connection with the provision of the services. Recipient will pay Provider without any deductions made for taxes of any kind, and will pay any and all taxes which Provider is required to collect under applicable law.

4. Standard of Care.

4.1 Provider will use commercially reasonable efforts to provide or cause to be provided each service in compliance with applicable law and in accordance with Exhibit A, and Provider will provide or cause to be provided each service in a manner generally consistent with and using the same standard of care as services Provider provides or causes to be provided to its own business, but no less than a reasonable standard of care; provided, however, that nothing in this Agreement will be construed as a guaranty or warranty of any type with respect to the adequacy of the services, the skill or fitness of personnel performing the services for any particular job, or the results achieved as a result of the services performed.

4.2 Provider will allocate or cause to be allocated sufficient resources and qualified personnel as are reasonably required to perform the services agreed and set forth on Exhibit A in accordance with the standards set out in Section 4.1.

5. Employee and Subcontractor Status.

5.1 Each Party agrees to perform services pursuant to this Agreement as an independent contractor and not as an employee or agent of the other Party.

5.1.1 Provider will control the manner, means and resources used to provide services, unless otherwise specified on Exhibit A.

5.1.2 Recipient will not be responsible for the payment and provision of wages, bonuses, commissions, employee benefits, and the withholding and payment of applicable taxes relating to employees of Provider.

5.1.3 Neither Party will have control of employees of the other Party. For clarity, to the extent that any services include management of Recipient's employees, Recipient will retain control of said employees although Provider may direct tasks of, and evaluate performance of, said employees.

5.2 Except as otherwise specified on Exhibit A, Provider may retain a third party as determined by Provider to be needed for full performance under this Agreement. Such third party (e.g., consultant or subcontractor (which may be an affiliate)) may be referred to as a "**Subcontractor**" herein; such reference in this Agreement is made for convenience only and will not be construed as changing the status of such third party with respect to any Party.

5.2.1 Provider will remain fully responsible for satisfactory performance of the services it provides even if such services are performed by a Subcontractor.

5.2.2 Recipient will not be responsible for the payment and provision of wages, bonuses, commissions, employee benefits, and the withholding and payment of all applicable taxes relating to employees of Provider's Subcontractors.

5.2.3 Neither Party will have control of employees of the other Party's Subcontractors. For clarity, to the extent that any services include management of employees of Provider's Subcontractors, such Subcontractors will retain control of said employees although Provider may direct tasks of, and evaluate performance of, said employees.

5.3 No employees of either Party will be fully dedicated to providing services to the other Party under this Agreement unless so specified in Exhibit A.

5.4 Notwithstanding Section 5.1 and Section 5.2, Recipient may reject provision of services by one or more persons or companies selected by Provider if there is a reasonable business purpose for doing so.

6. Confidentiality.

6.1 Except as otherwise provided herein, each Party will maintain in confidence, and will not use for any purpose or disclose to any third party information disclosed by the other Party in writing and marked "confidential" or that is disclosed orally and confirmed in writing as confidential within 45 days following such disclosure, or that by its nature would reasonably be considered to be confidential or proprietary (collectively, "**Confidential Information**"). Confidential Information will not include any information that: (i) is already known to the receiving Party at the time of disclosure hereunder, (ii) is now or hereafter becomes publicly known other than through acts or omissions of the receiving Party, (iii) is disclosed to the receiving Party by a third party under no obligation of confidentiality to the disclosing Party, or (iv) is independently developed by the receiving Party without reference to the Confidential Information of the disclosing Party.

6.2 Notwithstanding the provisions of Section 6.1, each Party may use or disclose Confidential Information in exercising its rights hereunder or fulfilling its obligations and duties hereunder and in prosecuting or maintaining any proprietary rights, prosecuting or defending any legal action, complying with applicable governmental regulations, and submitting information to tax or other governmental authorities, provided that, if the Party is required by law to make any disclosures of Confidential Information of the other, to the extent it may legally do so, the Party will give reasonable advance notice to the other of such disclosure, limit the disclosure to only the minimum information necessary, and will use its reasonable efforts to secure confidential treatment of Confidential Information prior to its disclosure (whether through protective orders or otherwise).

7. Intellectual Property.

7.1 "**Intellectual Property Asset**" ("**IPA**") means any invention, work of authorship, designation, design, formulation, formula, materials, data, know-how, idea, Patent Asset, copyright, software, firmware, algorithm, trademark, tradename, trade secret, domain name, mask work, original document or compilation, or other intellectual property including but not limited to all related alterations, improvements, modifications, revisions, adaptations, translations, enhancements or other derivative works thereto. "**Patent Asset**" means a patent application filed in any jurisdiction, together with any patent application claiming priority thereto (including but not limited to continuation, divisional, substitution, or national phase and validation applications claiming priority thereto; provided that, in the case of a continuation-in-part patent application, only with respect to a patent issued thereon and only to the extent that the claims in that issued patent are supported in the application(s) to which priority is claimed), and patents issuing on said patent application or patent applications claiming priority thereto (where issued patents include without limitation registrations, reissues, reexaminations and extensions).

7.2 Ownership of IPA is to be determined as follows:

7.2.1 IPA conceived or created by Mir A. Imran is not part of this Agreement.

7.2.2 Except as set forth in Section 7.2.1, IPA conceived or created during and directly from performance of a service set forth on Exhibit A, which service is performed by Provider for Recipient under, and during the Term of, this Agreement, will be owned by Recipient.

7.3 RMS (as Provider) hereby irrevocably assigns to InCube (as Recipient) RMS's entire right, title and interest in and to IPA owned by InCube under Section 7.2.2, including all intellectual property rights embodied therein.

7.4 InCube (as Provider) hereby irrevocably assigns to RMS (as Recipient) InCube's entire right, title and interest in and to IPA owned by RMS under Section 7.2.2, including all intellectual property rights embodied therein.

7.5 Each Party (as Provider) agrees to assist and to cause each of its employees to assist the other Party (as Recipient) or its designee in every proper way to secure Recipient's rights, title and interest in and to IPA assigned to Recipient under Section 7.3 or Section 7.4 in any and all countries, including the disclosure to Recipient of all pertinent information and data with respect to the assigned IPA, and the execution of all applications, specifications, oaths, assignments and all other instruments that Recipient may reasonably deem necessary to secure Recipient's intellectual property rights under this Agreement.

7.6 For any IPA assigned to Recipient under Section 7.3 or Section 7.4, Recipient will, upon the request of Provider, grant a non-exclusive, worldwide license back under terms and conditions as negotiated by the Parties; for the avoidance of doubt, the Parties will negotiate such terms and conditions in good faith, and Provider will not unreasonably deny terms and conditions proposed by Recipient or delay negotiation or execution of the license agreement.

7.7 Nothing in this Agreement will be construed as requiring a transfer or license of any IPA from one Party to the other Party which IPA was conceived or created prior to the Effective Date of this Agreement.

8. Limitation of Liability.

8.1 NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, NEITHER PROVIDER NOR ANY OF ITS AFFILIATES WILL BE LIABLE HEREUNDER (INCLUDING FOR ANY LIABILITY FOR ANY ACTS OR OMISSIONS OF ITS EMPLOYEES, AGENTS OR SUBCONTRACTORS) FOR ANY INCIDENTAL, PUNITIVE OR INDIRECT DAMAGES, EVEN IF ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF THE FORM OF ACTION THROUGH WHICH SUCH DAMAGES ARE SOUGHT.

8.2 Except in the case of gross negligence or willful misconduct of Provider, and except for liability arising under Section 1.1 or Section 9.3, the maximum aggregate amount for which Provider may be liable to Recipient as the result of an action brought in connection with or as a result of this Agreement or the provision of services hereunder at issue will not exceed the combined aggregate service fees received by the Provider for such services under this Agreement .

9. Indemnification.

9.1 Subject to Section 8, Recipient will indemnify and hold harmless Provider, its affiliates and each of their respective officers, directors, members, agents, employees, and representatives (including Subcontractors) (collectively, the "**Provider Indemnified Parties**") from and against any and all losses, liabilities, claims, damages, actions, fines, penalties, expenses or costs (including court costs and reasonable attorneys' fees) ("**Losses**") suffered or incurred by any Provider Indemnified Party arising from or relating to any claim (including any hearing, inquiry or investigation that may reasonably lead to the institution of any such action, suit, proceeding or alternative dispute resolution mechanism) by a third party (any, a "**Claim**") arising from or in connection with the performance of a service requested by Recipient and performed by Provider under this Agreement, other than by reason of gross negligence or willful misconduct of Provider or any of its Subcontractors in the provision of that service.

9.2 Subject to Section 8, Provider will indemnify and hold harmless Recipient, its Affiliates and each of their respective officers, directors, members, agents, and representatives (collectively, the "**Recipient Indemnified Parties**") from and against any and all Losses suffered or incurred by any Recipient Indemnified Party arising from or relating to any Claim arising from or in connection with the negligence or willful misconduct of Provider or any of its Subcontractors in the provision of a service.

9.3 Recipient (as tenant) will indemnify and hold Provider (as landlord) harmless from any Losses incurred or suffered by Provider arising from the bringing, allowing, using, permitting, generating, creating, emitting or disposing of toxic materials if by Recipient or its invitees or agents during the Term even if discovered after the Term. Recipient's indemnification and hold harmless obligations include, without limitation, Losses (i) resulting from or based upon administrative, judicial (civil or criminal), or other action, legal or equitable, brought by any private or public person under common law or any federal, state, county or municipal law, ordinance or regulation, and (ii) pertaining to the cleanup or containment of toxic materials, the identification of the pollutants in toxic materials, the identification of the scope of any environmental contamination, the removal of pollutants from soils, riverbeds or aquifers, the provision of an alternative public drinking water source, or the long term monitoring of ground water and surface waters. Recipient will comply, at its sole cost, with all laws pertaining to such toxic materials. Recipient's hold harmless and indemnity obligations hereunder will survive the expiration or termination of this Agreement.

10. Disclaimer of Warranties. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, PROVIDER EXPRESSLY DISCLAIMS ANY AND ALL REPRESENTATIONS OR WARRANTIES, WHETHER EXPRESS, IMPLIED, OR STATUTORY, WITH RESPECT TO THE SERVICES, INCLUDING WARRANTIES OF MERCHANTABILITY, SUITABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE OR TRADE USAGE.

11. Term and Termination.

11.1 This Agreement will be effective for a twelve (12) month period starting from the Effective Date (the "**Term**"), and will automatically renew on each anniversary of the Effective Date for another twelve (12) month period unless terminated in accordance with this Section 11.

11.2 The Parties may terminate one or more services.

11.2.1 The Parties may terminate any one or more ongoing services at any time by mutual written agreement, with invoice and payment for any services partially performed prior to such termination to be determined according to that mutual written agreement.

11.2.2 Recipient may terminate Occupancy Services upon six (6) months' notice or may terminate any of the other services, but not all services, upon sixty (60) days' notice to Provider prior to any performance of that service; Recipient will reimburse Provider for actual non-recoverable costs arising prior to termination of that service, which costs arose when, and to the extent that, Provider reasonably obtained or contracted in advance for personnel, resources, supplies, and/or materials reasonably needed to perform that terminated service.

11.2.3 A termination of an individual service will not terminate this Agreement or any other service being provided under this Agreement.

11.3 This Agreement will automatically terminate in its entirety on the date six (6) months after the date on which Provider will have no further obligation to perform any services as a result of the completion, expiration or termination of all services in accordance with the terms of this Agreement.

11.4 The Parties may terminate this Agreement.

11.4.1 The Parties may terminate this Agreement by written agreement.

11.4.2 Either Party may terminate this Agreement upon six (6) months' prior written notice for any or no reason.

11.4.3 Either Party may, without limitation of any other remedies that may be available to it, terminate this Agreement at the occurrence of an Event of Default of the other Party. An "**Event of Default**" with respect to a Party (the "**Breaching Party**") will be deemed to occur if: (i) the Breaching Party has failed to perform any of its material obligations under this Agreement; (ii) the other Party (the "**Non-Breaching Party**") provides notice to the Breaching Party that the Breaching Party has failed to perform a material obligation under this Agreement; and (iii) such failure will have continued without cure (as reasonably determined by the Non-Breaching Party) for a period of thirty (30) days after delivery of such notice.

11.5 Termination of this Agreement under Section 11.3 or Section 11.4 will be without prejudice to any rights that will have accrued to either Party pursuant to this Agreement prior to such termination and will not relieve responsibilities that will have accrued to either Party pursuant to this Agreement prior to such termination.

11.6 Any rights, obligations and duties that by their nature extend beyond the expiration or earlier termination of this Agreement, including without limitation obligations and duties arising under Sections 3, 6, 7, 8, 9, 10, 11.5, 11.6, 13, 14, and 15, will survive any such expiration or termination and remain in effect.

12. Force Majeure. A Party (the "**Affected Party**") will not be liable for any interruption, delay or failure to perform any obligation under this Agreement when such interruption, delay or failure is due to causes beyond its reasonable control, including any strikes, lockouts, acts of any government, riot, insurrection or other hostilities, embargo, fuel or energy shortage, fire, flood, acts of God, pandemic, or a general inability not specific to the Affected Party or its Subcontractors to obtain necessary labor, materials or utilities. In any such event, obligations hereunder will be postponed for such time as the Affected Party's performance is suspended or delayed on account thereof and it will have no liability to the other Party in connection therewith. The Affected Party will promptly notify the other Party, in writing, upon learning of the occurrence of such event of force majeure. Upon the cessation of the force majeure event, the Affected Party will use commercially reasonable efforts to resume its performance promptly. The other Party, however, may terminate this Agreement, terminate any future service in whole, or terminate any partially-performed service if the Affected Party has not resumed full performance of that service within 90 days from the start of the interruption, delay, or failure to perform under this Section 12; provided, however, that the terminating Party must provide at least thirty (30) days' notice of impending termination prior to such termination.

13. Transfer, Delegation, Assignment.

13.1 Neither this Agreement nor any of the rights, interests, or obligations hereunder will be transferred, assigned or delegated, in whole or in part, including by operation of law, by either Party without the prior written consent of the other Party.

13.2 This Agreement will be binding on and will inure to the benefit of the Parties hereto and their respective successors and permitted assigns.

13.3 This Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to or will confer on any other person (other than the Provider Indemnified Parties and Recipient Indemnified Parties) any legal or equitable right, benefit, or remedy of any nature whatsoever.

14. Governing Law. To the extent state law is applicable, this Agreement will be interpreted and construed in accordance with the laws of the state of California without regard to conflict of laws principles or to which party drafted particular provisions of this Agreement.

15. Dispute Resolution.

15.1 Any dispute or controversy relating to the inventorship, ownership, scope, validity, enforceability, or infringement of any intellectual property rights will be submitted to a court of competent jurisdiction in the country or regional authority in which such intellectual property rights were granted or arose. In the United States of America (USA), the court of competent jurisdiction for patents and trademarks will be a federal court.

15.2 All disputes will be conducted in the English language, and the English original version of this Agreement (if subsequently translated) will be considered the only legal version.

15.3 For actions which fall outside of the arbitration provisions of Section 15.4, venue will be within Santa Clara County in the state of California, USA, and the Parties agree to personal jurisdiction of the courts within Santa Clara County.

15.4 Subject to Section 15.1, any dispute arising out of or relating in any way to this Agreement and/or the relationship between the Parties, including without limitation, claims for breach of contract, will be submitted to binding arbitration. By agreeing to arbitrate, the Parties are agreeing to waive their right to a jury trial. The arbitration will be conducted in accordance with this Agreement, the Federal Arbitration Act, and the JAMS Comprehensive Arbitration Rules & Procedures as in effect on the date of this Agreement (the "**JAMS Rules**"). In the event of a conflict, the provisions of the JAMS Rules will control, except where those JAMS Rules conflict with this Agreement, in which case this Agreement will control. The arbitration will be conducted before a three-arbitrator panel (the "**Panel**"), regardless of the size of the dispute, to be selected as provided in the JAMS Rules. Each arbitrator will be a former state or federal judge with at least five years of judicial experience. The arbitration will be commenced and held in Santa Clara County, California. Any issue concerning the location of the arbitration, the extent to which any dispute is subject to arbitration, the applicability, interpretation, or enforceability of these procedures, including any contention that all or part of these procedures are invalid or unenforceable, and any discovery disputes, will be resolved by the Panel. No potential arbitrator may serve unless he or she has agreed in writing to be bound by these procedures. Each Party will, upon the written request of the other Party, promptly provide the other with copies of all documents on which the producing Party may rely in support of or in opposition to any claim or defense and a report of any expert whom the producing Party may call as a witness in the arbitration hearing. At the request of a Party, and upon the showing of good cause, the Panel will have the discretion to order production by the other Party or by a third party of other documents relevant to any claim or defense. Each Party will be entitled to take a maximum of three depositions, plus depositions of all experts designated to be witnesses at the arbitration. The depositions will be limited to a maximum of six hours per deposition. All objections are reserved for the

arbitration hearing, except for objections based on privilege and proprietary or confidential information. The Panel upon a showing of good cause may order additional depositions or deposition hours. All aspects of the arbitration will be treated as confidential and neither the Parties nor the arbitrators may disclose the existence, content or results of the arbitration, except as necessary to comply with legal or regulatory requirements. Before making any such disclosure, a Party will give written notice to all other parties and will afford such parties a reasonable opportunity to protect their interests. The result of the arbitration will be binding on the Parties and judgment on the Panel's award may be entered in any court having jurisdiction. Nothing in this Section 15.4 will affect any Party's ability to seek from a court temporary or interim injunctive or equitable relief to protect a Party's rights under this Agreement or otherwise. Each Party will share equally the cost of the arbitration filing and hearing fees, the cost of an independent expert retained by the Panel, the cost of the Panel, and administrative fees of JAMS. Each Party will bear its own costs including its attorney and witness fees and associated costs and expenses. The Parties intend that these provisions will be valid, binding, enforceable, exclusive and irrevocable and will survive any termination of this Agreement. **BY SIGNING THIS AGREEMENT, THE PARTIES ARE AGREEING TO HAVE ANY ISSUE ARISING OUT OF OR RELATING IN ANY WAY TO THIS AGREEMENT OR THE RELATIONSHIP BETWEEN THE PARTIES DECIDED IN ARBITRATION, AND THE PARTIES ARE GIVING UP THEIR RIGHT TO A JURY OR COURT TRIAL.**

16. Miscellaneous.

16.1 This Agreement constitutes the entire agreement, and supersedes all prior agreements and understandings (both written and oral), among the Parties regarding the subject matter hereof. This Agreement specifically terminates all prior service agreements between the Parties, if applicable. Exhibit A annexed hereto or referred to herein is hereby incorporated in and made a part of this Agreement as if fully set forth herein. Each Party acknowledges that the other has made no statement, representation, or warranty, and that it has not relied on any statement, representation, or warranty, regarding the services other than those specifically set out in this Agreement. To the extent that confirmations, invoices or other documentation or paperwork conflict with terms or conditions of this Agreement, the terms and conditions of this Agreement will control.

16.2 This Agreement may only be amended, modified, or supplemented by an agreement in writing signed by each Party. No waiver by any Party of any of the provisions of this Agreement will be effective unless explicitly set out in writing and signed by the waiving Party. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege under this Agreement will operate or be construed as a waiver thereof, nor will any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege. An amendment, modification, or supplement under this Section 16.2 may be in the form of a replacement or amended Exhibit A; such replacement or amended Exhibit A will only be effective when executed by an authorized representative of both Parties.

16.3 All section headings herein are for convenience only and are in no way to be construed as part of this Agreement or as a limitation or expansion of the scope of the particular sections to which they refer.

16.4 If any term or provision of this Agreement is deemed invalid, illegal, or unenforceable by a court of competent jurisdiction, such invalidity, illegality, or unenforceability will not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal, or unenforceable, the Parties will negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

16.5 All notices, requests, consents, claims, demands, waivers, and other communications hereunder will be in writing and will be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the addresses provided for notice on the signature page (or at such other address for a party as will be specified in a notice given in accordance with this Section 16.5).

16.6 This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission will be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[The remainder of this page is intentionally left blank. A signature page follows.]

This Agreement will be binding on the Parties as of the Effective Date when signed below on behalf of each Party.

IN WITNESS WHEREOF, both Parties have executed this **Agreement** by their respective and duly authorized representatives.

INCUBE LABS, LLC
By:

/s/ Gary Dang
Signature

Gary Dang
Printed Name

VP, Finance and Accounting
Title

RANI MANAGEMENT SERVICES, INC.
By:

/s/ Svai Sanford
Signature

Svai Sanford
Printed Name

Chief Financial Officer
Title

Addresses for notice under Section 16.5:

InCube Labs, LLC
Attn: Legal Department
2051 Ringwood Ave.
San Jose, CA 95131

Rani Management Services, Inc.
Attn: Legal Department
2051 Ringwood Ave.
San Jose, CA 95131

Service Rates – 2021

This original version of Exhibit A is effective beginning January 1, 2021 except as noted with respect to Occupancy Services. Any modification to, or replacement of, this Exhibit A must be made in accordance with Section 16.2 of this Agreement.

Definitions:

- The "**InCube Facility**" is the building and grounds (including parking spaces) at 2051 Ringwood Ave., San Jose, CA 95131.
- "**Markup**" = 25% = 0.25
- "**Fringe**" = 22% = 0.22
- "**Hourly Billing Rate**":
    - for salaried employees, Hourly Billing Rate = (salary/2080) x (1 + Markup + Fringe)
    - for hourly employees, Hourly Billing Rate = (hourly wage) x (1 + Markup + Fringe)
- "**Actual Hours**" = actual hours incurred by Provider's employees on the requested Services, limited for salaried employees to 40 hours total per week per individual for all provided Services combined; and PTO, Flex, sick, holiday, bereavement, jury duty, or other time-off hours are not to be included in Actual Hours

Service	Obligations; Charges
Occupancy	The effective date for Occupancy Services is June 1, 2021. Premises: InCube will make available to RMS approximately 23,000 square feet of an Exclusive Portion of the building at the InCube Facility (including offices, work cubicles, laboratories, and manufacturing areas), along with access to a Shared Portion of the InCube Facility (including conference rooms, interior and exterior common areas, and parking, all subject to availability). Invoice: InCube can invoice to RMS an amount equal to $57,500 per month (calculated at $2.50 per square foot). Tax and insurance: RMS will pay to InCube a pro rata share of insurance and real property tax on the InCube Facility. Real property tax includes any charge, levy, assessment, or fee imposed by any authority having direct or indirect power to tax, including, without limitation, any city, county, state or federal government, or any improvement district. Invoice: InCube can invoice to RMS an amount equal to $6,648 per month initially. The Parties will true-up the actual tax and insurance at least quarterly and may then adjust the monthly payment to reflect estimated costs for the next quarter. Additional parking: InCube will provide RMS with extended parking capability under the parking license agreement between InCube and McNeal Enterprises, Inc. ("**McNeal**"). RMS agrees to execute a parking sublicense agreement at InCube's request. RMS will take over the payments owed by InCube to McNeal under the parking license agreement: initially, RMS will directly pay McNeal the sum of $1,850 per month, and RMS agrees to pay any increased amount that may be charged by McNeal, or any additional amount McNeal may charge for additional parking spaces that may be requested by RMS. Time of access to the extended parking may be limited by McNeal as acknowledged by RMS.

Shared Costs	Either Party or both Parties may incur Shared Costs with respect to the Shared Portion at the InCube Facility. Shared Costs will be estimated according to a formula to be agreed on between the Parties at least quarterly. The formula will be pro rata based at least in part on percentage of head count and/or square footage. The Parties will true-up the actual Shared Costs at least quarterly. For clarity, Shared Costs include those attributable to the additional parking (e.g., maintenance and restriping), but the cost of the additional parking itself is not a Shared Cost. Invoice: Each Party (as Provider) may invoice monthly the other Party (as Recipient) any Shared Costs incurred, in accordance with the then-current agreed formula.
Administrative	None specified.
Personnel (other than Administrative)	RMS may provide Personnel Services to InCube upon request subject to availability of resources. Invoice: • RMS can invoice InCube for all Personnel Services performed by its employees, using the following formula: Invoiced amount = (Actual Hours) x (Hourly Billing Rate). • RMS can invoice InCube all amounts paid to a Subcontractor of RMS to perform the Personnel Services, without markup. • RMS can invoice InCube for Out-of-Pocket Costs related to performance of the Personnel Services, without markup.
Special	Either Party (as Provider) may provide Special Services to the other Party (as Recipient) upon request subject to availability of resources. Invoice: • Provider can invoice for all Special Services performed by its employees using the following formula: Invoiced amount = (Actual Hours) x (Hourly Billing Rate). • Provider can invoice Recipient all amounts paid to a Subcontractor of Provider to perform the Special Services, without markup. • Provider can invoice Recipient for Out-of-Pocket Costs related to performance of the Special Services, without markup.

IN WITNESS WHEREOF, the Parties hereto have caused this **Exhibit A** to be duly executed by their authorized representatives.

InCube Labs, LLC
By:

Signed: /s/ Gary Dang

Name: Gary Dang

Rani Management Services, Inc.
By:

Signed: /s/ Svai Sanford

Name: Svai Sanford

Exhibit 10.17

Amended and Restated Exclusive License Agreement

This exclusive license agreement (this "**Agreement**") is made by and between InCube Labs, LLC ("**InCube**" or "**Licensor**") a Delaware limited liability company having an address at 2051 Ringwood Ave., San Jose, CA 95131, and Rani Therapeutics, LLC ("**Rani**" or "**Licensee**"), a California limited liability company having an address at 2051 Ringwood Ave., San Jose, CA 95131. InCube and Rani may be referred to herein individually as a "**Party**" and collectively as the "**Parties**".

BACKGROUND

A. Rani and InCube entered into that certain Exclusive License Agreement, dated June 14, 2012, as amended by that certain letter agreement, dated June 13, 2013 ("**Prior Agreement**") and that certain Intellectual Property Agreement, dated June 14, 2012, as amended by that certain letter agreement, dated June 13, 2013 ("**IP Agreement**"); and

B. Rani and InCube now desire to amend and restate the Prior Agreement in its entirety to clarify the scope of the intellectual property licensed by InCube to Rani and to provide for certain payments from Rani to InCube, all subject to the terms and conditions as provided herein.

AGREEMENT

The Parties agree as follows:

1. DEFINITIONS

As used herein,

1.1. "**Affiliate**" means, with respect to any entity, any other entity that controls, is controlled by, or is under common control with such entity. For purposes of this Agreement, an entity will be deemed to control another entity if it owns, directly or indirectly, at least fifty percent (50%) of the equity securities of such other entity entitled to vote in the election of directors (or, in the case that such other entity is not a corporation, for the election of the corresponding managing authority), or otherwise has the power to direct the management and policies of such other entity.

1.2. "**Cover**" means, with respect to specified IPA and a country, that a Violation of such IPA would occur by Exploitation of a Product in such country absent a license under, or ownership of, such IPA; provided, however, that in determining whether a Valid Claim of a pending patent application would be infringed, it will be treated as if issued in the form then currently being prosecuted, where infringement for purposes of this Section 1.2 is determined without considering the effect of any safe harbor provision. Lexical cognates of the word "Cover" (e.g., Covered or Covering) will have correlative meanings.

1.3. "**Exploit**" means to develop, make, use, promote, provide, offer to sell, sell, market, distribute, import, export, or otherwise commercialize. Lexical cognates of the word "Exploit" (e.g., Exploited, Exploiting, or Exploitation) will have correlative meanings.

1.4. "**Field of Use**" means oral delivery of sensors, small molecule drugs or biologic drugs including, any peptide, antibody, protein, cell therapy, gene therapy or vaccine.

1.5. "**IPA"** (intellectual property asset) means any invention, work of authorship, designation, design, formulation, formula, materials, data, know-how, idea, Patent Asset (defined herein), copyright, software, firmware, algorithm, trademark, tradename, trade secret, domain name, mask work, original document or compilation, or other intellectual property, including but not limited to all related alterations, improvements, modifications, revisions, adaptations, translations, enhancements or other derivative works thereto.

1.6. "**Licensed IPA**" means the IPA listed on Exhibit A of this Agreement. For clarity, any Patent Asset listed on Exhibit A includes patents or patent applications that claim priority thereto as per the definition of Patent Asset.

1.7. "**Licensed Product**" means any Product the Exploitation of which would constitute a Violation of Licensed IPA but for the license granted Licensee by Licensor herein.

1.8. "**Patent Asset**" means a patent application filed in any jurisdiction, together with any patent application claiming priority thereto (including but not limited to continuation, divisional, substitution, or national phase and validation applications claiming priority thereto, but in the case of a continuation-in-part application only to the extent that all claims in a patent issued on the continuation-in-part application are supported in the application(s) to which priority is claimed) and together with patents issuing on said patent application or said patent application claiming priority thereto (where issued patents include without limitation registrations, reissues, reexaminations and extensions).

1.9. "**Product**" means a service, technique, composition, product, system, or method of treatment.

1.10. "**Sublicensee**" means a third party to whom Licensee grants a sublicense under the license in Section 2 of this Agreement.

1.11. "**Territory**" means worldwide.

1.12. "**Valid Claim**" means (a) a claim of an issued and unexpired patent, or a supplementary protection certificate thereof, that has not been held permanently and unappealably revoked, unenforceable or invalid by a decision of a court, patent office or other forum of competent jurisdiction, and that is not admitted to be invalid or unenforceable through reissue, disclaimer or otherwise, or (b) a claim of a pending patent application that has not been abandoned, finally rejected or expired without the possibility of appeal or re-filing.

1.13. "**Violation**" means an infringement, misappropriation, and/or other violation of any valid and unexpired portion of specified IPA (e.g., infringement of a Valid Claim of a specified Patent Asset).

1.14. "**Will**" means a requirement or obligation; "**may**" means optionally.

2. LICENSE

Subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee an exclusive, royalty-free license under all of its rights in Licensed IPA to Exploit any Licensed Products, but solely within the Territory and solely within the Field of Use. Licensor will provide to Licensee upon request any know-how explicitly specified as Licensed IPA. All intellectual property rights of Licensor not expressly granted in this Agreement are hereby reserved. For clarity, Licensee is Rani (Rani Therapeutics, LLC or its permitted successor or assignee under Section 16 (Assignability)); no affiliate or spinoff of Rani is granted a license under this Agreement.

3. SUBLICENSE

3.1. Except as specified in Section 3.2.3, Rani must implement a separate sublicense for each Affiliate or Sublicensee in accordance with this Section 3 (Sublicense).

3.2. Licensee may sublicense all or any portion of its rights set forth in Section 2 to one or more Affiliates or Sublicensees under the following conditions:

3.2.1. Each sublicense must be in writing and signed by both applicable parties, enforceable according to its terms, and subject to this Agreement.

3.2.2. No sublicense will grant, or purport to grant, any broader rights than those set forth in Section 2.

3.2.3. Sublicensees will not have the right to further sublicense; provided that, subject to Section 3.3.1, a Sublicensee of Licensee will have the right to sublicense to a wholly-owned subsidiary of the Sublicensee without prior consent of Licensor.

3.2.4. To the extent applicable, each sublicense must include all of the rights of and obligations due to Licensor contained in this Agreement. Without limiting the foregoing, each Sublicensee must at least agree to:

3.2.4.1. maintain insurance at the levels set forth in Section 12 (Insurance);

3.2.4.2. maintain in confidence Licensor's Confidential Information as defined in Section 9 (Confidentiality);

3.2.4.3. acknowledge that termination of this Agreement will terminate all sublicenses; provided that, a Sublicensee may request to convert to a status of a licensee upon termination of this Agreement to the extent allowed under Section 13 (Term and Termination);

3.2.4.4. also comply with the obligations on Licensee as set forth in Section 4 (Products); and

3.2.4.5. also comply with the obligations on Licensee as set forth in Section 7.1.

3.3. For each Sublicensee:

3.3.1. Licensee will within thirty (30) days of execution of a sublicense provide Licensor with a copy of that sublicense (which copy may be redacted with respect to information not pertinent to compliance with the terms and conditions of this Agreement).

4. PATENT ASSET BUY-OUT. For each U.S. Patent Asset Family listed in Table 2 of Exhibit A - Section A.2 (including patents or patent applications that claim priority thereto) (each, a "U.S. Patent Asset Family"), on the fifth anniversary of the Effective Date, Licensee will have the right to acquire such U.S. Patent Asset Family by paying Licensor a one-time patent acquisition fee of two hundred fifty thousand dollars ($250,000) per U.S. Patent Asset Family (the "U.S. Patent Asset Acquisition Fee") within thirty (30) days following the fifth anniversary of the Effective Date. With respect to each U.S. Patent Asset Family for which Licensee pays Licensor the U.S. Patent Asset Acquisition Fee, Licensor will, and hereby does effective upon receipt of such payment, assign to Licensee all of Licensor's right, title, and interest in and to such U.S. Patent Asset Family, and, effective upon the date of such assignment, such U.S. Patent Asset Family shall cease to be Licensed IPA and shall be deemed a "**Rani Patent Asset**". Licensor will assist Licensee, at Licensee's request and expense, to evidence such assignment to Licensee, which assistance will include, without limitation, signing, verifying and delivering any documents and performing any other acts, for Licensee to obtain and enforce intellectual property rights relating to each Rani Patent Asset. For clarity, there are a total of four (4) U.S. Patent Asset Families listed on Table 2 of Exhibit A-Section A.2 and the Patent Assets having the following application numbers are all within the same U.S. Patent Asset Family: 62/305,878; 15/455,075; 15/455,080; 16/701,552; and 16/255,020. The maximum amount payable by Licensee to Licensor under this Section 4 is one million dollars ($1,000,000) if Licensee elects to acquire all four (4) U.S. Patent Asset Families. With respect to each U.S. Patent Asset Family, if Licensee declines to exercise its right under this Section 4 to acquire such U.S. Patent Family, such U.S. Patent Asset Family shall, effective on the date that is thirty (30) days following the fifth anniversary of the Effective Date, cease to be Licensed IPA and shall be excluded from the license granted to Licensee by Licensor under Section 2.

5. PRODUCTS

5.1. Licensee will make all commercially reasonable efforts to comply with all applicable laws, rules and regulations with respect to the Exploitation of Licensed Products.

5.2. Licensee will mark or cause to be marked, in accordance with the applicable patent marking laws, Licensed Products that are Exploited under the license granted in Section 2.

5.3. Licensee will make all commercially reasonable efforts to comply with all applicable U.S. and foreign laws with respect to the transfer of Licensed Products and related technical data to foreign countries, including without limitation, the International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations.

6. PROSECUTION AND MAINTENANCE OF IPA

6.1. Licensor will diligently endeavor to prosecute and maintain Licensed IPA using counsel of its choice, and Licensor will provide Licensee with copies of relevant documentation upon request so that Licensee may be informed of the continuing prosecution, and Licensee agrees to keep this documentation confidential. Licensor's counsel will take instructions only from Licensor.

6.2. As reasonably requested by Licensee to protect the Licensed Products that Licensee may Exploit under this Agreement, and all with respect to the Licensed IPA and only upon request: Licensor will use reasonable efforts to amend any patent application and file new patent applications claiming priority to the Licensed IPA, anywhere in the world, and these amended and new patent applications will become part of the Licensed IPA.

6.3. Licensee will notify Licensor of its decision to obtain or maintain foreign patents not less than 30 days prior to the deadline for any payment, filing or action to be taken in connection therewith. This notice concerning foreign filing must be in writing, must identify the countries desired, and must reaffirm Licensee's obligation to underwrite the costs thereof. The absence of such a notice from Licensee to Licensor may be considered by Licensor an election not to obtain or maintain foreign rights.

6.4. Licensor may file, prosecute or maintain patent applications at its own expense in any country in which Licensee has not elected to file, prosecute or maintain patent applications in accordance with this Section 6 (Prosecution and Maintenance of IPA) and those applications and resultant patents will not be subject to this Agreement.

6.5. If Licensor fails to prosecute or maintain any item of IPA when obligated to do so under this Section 6, Licensee may first request that Licensor take immediate action and, if no action is taken by Licensor in a timely manner relative to an impending deadline, Licensee may proceed to prosecute, maintain, or revive such item of IPA.

6.6. Licensee will not make any statement disparaging, or admitting the invalidity or unenforceability of, any Licensed IPA during prosecution of any IPA.

7. ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS

7.1. Each Party will promptly notify the other Party, in writing, of any (i) known Violation of any Licensed IPA by a third party within the Field of Use and will provide the other Party with available information relating to such Violation, and (ii) any allegation or action by a third party indicating that any Licensed IPA is invalid or unenforceable (e.g., a declaratory judgment action, a post-grant review action, or a communication from the third party) and will provide the other Party with available information relating to such allegations or action.

7.2. Licensor will have exclusive rights to initiate and control any enforcement proceeding with respect to a Violation of Licensed IPA (such enforcement proceeding, an "**Action**") outside the Field of Use at its own expense. Licensee will not have a right to initiate, participate in, or share recovery from, an Action outside the Field of Use.

7.3. Licensee will have the first right to initiate and control any Action in the Field of Use at its own expense. If Licensee does not bring any such Action within 120 days following notice of the alleged Violation or 30 days before the time limit, if any, set forth in the appropriate laws and regulations for filing of such Action, whichever comes first, then Licensor will have the right, to initiate and control such Action at its own expense.

7.4. Each Party will cooperate with the other Party in an Action brought by that other Party, at that other Party's expense, including but not limited to providing materials and information reasonably requested as being reasonably necessary for purposes of the Action.

7.5. For an Action in the Field of Use brought by either Party in accordance with this Section 7 that is fully participated in by both Parties, the Parties will share Costs and recoveries as follows: any recovery will first be applied equally to reimburse those Costs agreed to be shared between the Parties in writing before such Costs were incurred (any other Costs will be at the expense of the Party incurring them); and then any remaining recovery will be shared equally. For Actions in the Field of Use brought by either Party in

accordance with this Section 7 and not fully participated in by both Parties: any recovery will first be applied to reimburse the Costs of the Party that brought and controlled such Action and then to reimburse the Costs of the other Party; then any recovery remaining after such reimbursement will be allocated 75% to the Party bringing the Action and 25% to the other Party or as otherwise agreed between the Parties. For the purposes of this Section 7, "**fully participated in**" means being actively involved in a material manner in most or all aspects of the Action and "**Costs**" refers to costs, fees, and expenses (including attorney fees) incurred in participating in the Action.

7.6. Any Action brought in accordance with this Section 7 will be controlled by the Party bringing the Action; the other Party may be represented by counsel of its choice.

7.7. For any non-cash settlement or non-cash cross-license, Licensee and Licensor will negotiate in good faith an appropriate monetary value of such settlement or cross-license to use when calculating the recovery from an Action when the recovery is to be shared.

7.8. Licensee will not settle, compromise, or discharge any Action brought in accordance with this Section 7 without prior written consent of Licensor; provided, that, written consent of Licensor will not be required for a settlement, compromise or discharge of such Action that does not admit the invalidity or unenforceability of Licensed IPA or have a material adverse effect on Licensor.

7.9. Licensee will not make any statement disparaging, or admitting the invalidity or unenforceability of, any Licensed IPA.

7.10. Licensee and its Sublicensees will not challenge in any forum or any jurisdiction the validity or enforceability of any Licensed IPA; any such challenge will be void ab initio. Upon the occurrence of such a challenge, Licensor will have the right to terminate this Agreement immediately upon notice. Licensee will reimburse all Costs that Licensor may incur addressing any such challenge (whether under contract law, patent law, or any other law).

8. INVOICING AND PAYMENT

8.1. Licensor will invoice Licensee a pro rata share for costs incurred under Section 6 (Prosecution and Maintenance of IPA) of this Agreement.

8.1.1. The pro rata share may vary between individual patents and patent applications of Licensed IPA depending on the number of licensees having a license to each such patent or patent application. Licensee's pro rata share for a given patent or patent application will be based solely on the number of licensees having a license with respect to that patent or patent application and not on an actual or perceived relative value of Licensee's license as compared to other licenses. The pro rata share with respect to a patent or patent application will not be affected by the number of claims in the patent or patent application.

8.1.2. If not otherwise specified in a separate agreement between the Parties (e.g., a service agreement):

8.1.2.1. Licensee's pro-rata share of costs arising under this Section 8.1 other than for in-house counsel services (including but not limited to costs for outside counsel services, foreign counsel services, United States Patent and Trademark Office (USPTO) fees, foreign patent office fees, and foreign trademark office fees) to the extent initially paid by Licensor will be billed to Licensee on a pass-through basis with no markup by Licensor.

8.1.2.2. Licensee agrees to pay each invoice received from Licensor within thirty (30) days of the date of the invoice.

9. CONFIDENTIALITY

9.1. Except as otherwise provided herein, each Party will maintain in confidence, and will not use for any purpose or disclose to any third party information disclosed by the other Party in writing and marked "confidential" or that is disclosed orally and confirmed in writing as confidential within 45 days following such disclosure, or that by its nature would reasonably be considered to be confidential or proprietary (collectively, "**Confidential Information**"). Confidential Information will not include any information that: (i) is already known to the receiving Party at the time of disclosure hereunder, (ii) is now or hereafter becomes publicly known other than through acts or omissions of the receiving Party, (iii) is disclosed to the receiving Party by a third party under no obligation of confidentiality to the disclosing Party, or (iv) is independently developed by the receiving Party without reference to the Confidential Information of the disclosing Party.

9.2. Notwithstanding the provisions of Section 9.1, each Party may use or disclose Confidential Information in exercising its rights hereunder or fulfilling its obligations and duties hereunder and in prosecuting or maintaining any proprietary rights, prosecuting or defending any legal action, complying with applicable governmental regulations, and submitting information to tax or other governmental authorities, provided that, if the Party is required by law to make any disclosures of Confidential Information of the other, to the extent it may legally do so, the Party will give reasonable advance notice to the other of such disclosure, limit the disclosure to only the minimum information necessary, and will use its reasonable efforts to secure confidential treatment of Confidential Information prior to its disclosure (whether through protective orders or otherwise).

10. USE OF NAMES AND TRADEMARKS

Nothing contained in this Agreement confers any right to use in advertising, publicity or other promotional activities any name, trade name, trademark or other designation of either Party hereto (including contraction, abbreviation or simulation of any of the foregoing).

11. INDEMNIFICATION

11.1. Licensee will indemnify, hold harmless and defend Licensor, its officers, employees, and agents (individually or collectively, the "**Indemnified**") against any and all claims, legal actions, losses, liabilities, damages, costs, fees and expenses (including attorney fees), each as regards product liability or Violation of third-party IPA with respect to Licensed Products; provided that, the Indemnified (i) promptly notifies Licensee of an applicable claim, and (ii) provides Licensee, at Licensee's expense, with reasonable assistance and information upon reasonable request.

11.2. Licensee will keep Licensor informed on a current basis regarding any proceeding for which Licensee has an obligation to an Indemnified under Section 11.1.

11.3. Licensee will not settle, compromise, or discharge any proceeding for which Licensee has an obligation to an Indemnified under Section 11.1 without prior written consent of Licensor; except that no consent is required if the settlement, compromise, or discharge is limited to payment of monetary damages and does not admit fault or otherwise impair Licensor's rights under this Agreement.

12. INSURANCE

Licensee, at its sole cost and expense, will obtain, keep in force, and maintain commercially reasonable general and product liability insurance as applicable for any Licensed Products.

13. TERM AND TERMINATION

13.1. Unless otherwise terminated by operation of law, or by acts of the Parties in accordance with the terms of this Agreement, this Agreement will be in force perpetually from the Effective Date. Notwithstanding the foregoing, this Agreement will terminate at the earlier of:

13.1.1. an attempted assignment of this Agreement that is not a permitted assignment under Section 16 (Assignability);

13.1.2. sixty (60) days after institution of bankruptcy proceedings of Licensee which are not dismissed within the sixty (60) days;

13.1.3. discontinuation of business operations of Licensee; or

13.1.4. all Patent Assets included in Licensed IPA and their included claims, and all other Licensed IPA other than know-how have expired, been abandoned, been finally and unappealably invalidated or rendered unenforceable, or otherwise are no longer in effect; provided that, after termination under this Section 13.1.4, Licensee and its Sublicensees may continue to use know-how provided as a result of being included on Exhibit A.

13.2. Termination of this Agreement will terminate all licenses and all sublicenses hereunder, and all rights granted by such licenses and sublicenses will revert to Licensor; provided that, each Sublicensee may request to convert to a status of a licensee, which request Licensor will not unreasonably deny.

13.2.1. To convert a Sublicensee to a licensee, Licensor and Sublicensee will execute a license on the same terms and conditions as set forth in this Agreement, or modifications thereto for which both parties agree.

13.2.2. Licensee will notify its Sublicensees at least sixty (60) days in advance of a known or expected termination of this Agreement; Licensee will notify its Sublicensees within ten (10) days of an unexpected termination of this Agreement.

13.3. Following termination of this Agreement, Licensor will be under no continuing or further obligation to prosecute or maintain any patent or patent application under any provision of this Agreement.

13.4. For an enforcement action brought in accordance with Section 7 (Enforcement of Intellectual Property Rights), which action is in progress at termination of this Agreement (or partial termination with respect to Licensed IPA that is asserted in the action): such action will move forward under the control of Licensor, and Licensee will no longer be part of such action; Licensee will make all commercially reasonable efforts to effectuate transfer of the action to the control of Licensor in a timely, proper, and legally effective manner. This section 13.4 does not apply if termination is under Section 13.1.4.

13.5. Termination of this Agreement does not relieve either Party of any obligation or liability accrued under this Agreement prior to termination or rescind any payment made or anything done by a Party prior to the time termination becomes effective. Termination does not affect in any manner any rights of the Parties arising under this Agreement prior to termination.

13.6. All rights and obligations arising under this Agreement which by their nature should survive termination of this Agreement will survive, including without limitation rights and obligations arising under the following provisions:

Section 8	Invoicing and Payment
Section 9	Confidentiality
Section 10	Use of Names and Trademarks
Section 11	Indemnification
Section 13	Termination
Section 15	Limitations and Limited Warranty
Section 16	Assignability
Section 17	Failure to Perform
Section 18	Governing Law
Section 19	Dispute Resolution
Section 20	Limitation of Liability
Section 21	Miscellaneous (as applicable)

13.7. Additional Licensor Rights

13.7.1. If Licensee materially fails to perform, or materially violates, any material term of this Agreement, then Licensor may give written notice of default ("**Notice of Default**") to Licensee. If Licensee fails to cure the default within 60 days of the effective date of the Notice of Default, then Licensor may terminate this Agreement immediately by a second written notice ("**Notice of Termination**"); provided, however, that if Licensee disputes the breach identified in the Notice of Default by initiating arbitration under Section 19 (Dispute Resolution) within the 60 day cure period, this Agreement will not be immediately terminated by the Notice of Termination, and instead this Agreement will terminate on the date and under the terms specified by the arbitrator. The Notice of Default and Notice of Termination are subject to Section 14 (Notices).

13.7.2. In addition to the procedures set forth in Section 13.7.1, Licensor has the following right: Licensor may, at its option, give Licensee thirty (30) days' notice of intent to terminate (the "**Notice of Intent**") in the event that Licensee fails to pay one or more invoice(s) for patent prosecution under Section 8.1 of this Agreement with respect to any Licensed IPA, and such failure to pay continues for at least six (6) months past the submission date of the first of such invoice(s). During the thirty (30) day period after the Notice of Intent is delivered (the "**Notice Period**"), Licensee will have an opportunity to cure by paying all overdue invoices.

13.7.2.1. Licensor may, at its option, rescind the Notice of Intent in writing at any time during the Notice Period.

13.7.2.2. If the Notice of Intent is not rescinded within the Notice Period, and if Licensee does not make a full cure by paying all overdue invoices within the Notice Period, this Agreement will terminate at the conclusion of the Notice Period.

13.7.3. In the event of a conflict between any terms in Section 13.7.1 and Section 13.7.2, Section 13.7.2 will control.

13.8. Additional Licensee and Sublicensee Rights

13.8.1. Licensee may terminate this Agreement at will in its entirety or as to any portion of Licensed IPA licensed to Licensee under this Agreement by giving notice to Licensor under Section 14 (Notices). Such termination will be effective sixty (60) days from the effective date of such notice, or at the date specified in a writing by Licensor accepting the termination and specifying an earlier termination date. In the event of such termination by Licensee, all rights so terminated will revert back to Licensor.

13.8.2. In the event that Licensee terminates this Agreement under Section 13.8.1 with respect to a portion of Licensed IPA without termination of the entire Agreement:

13.8.2.1. Licensor will be under no continuing or further obligation to prosecute or maintain any patent or patent application with respect to the terminated portion of Licensed IPA under any provision of this Agreement; and

13.8.2.2. any Sublicensee affected by such termination may request to convert to a status of a licensee for that portion of the Licensed IPA, which request Licensor will not unreasonably deny. To convert a Sublicensee to a licensee, Licensor and Sublicensee will execute a license on the same terms and conditions as set forth in this Agreement, or modifications thereto for which both parties agree.

14. NOTICES

Any notice required to be given will be deemed to have been properly given if delivered to the respective address or facsimile number given on the Signature Page, or to another address or facsimile number of a Party as designated by written notice given by that Party to the other Party. All notices should be sent to the attention of the Legal Department. Notice will be effective on: (i) the date of delivery if delivered in person; (ii) three days after the date of mailing if mailed via first-class certified mail, postage paid or if mailed via any global express courier service that requires a recipient signature demonstrating the delivery of such notice; or (iii) the date of transmission if sent by facsimile with confirmation of transmission.

15. LIMITATIONS AND LIMITED WARRANTY

15.1. Licensor represents and warrants to Licensee that: (i) it has the lawful right to enter into this Agreement and grant the rights and licenses hereunder, (ii) Licensor is and will be the owner of the entire right, title, and interest in and to Licensed IPA, (iii) Licensor has not previously granted and will not grant any rights in Licensed IPA that are inconsistent with the rights and licenses granted to Licensee herein, (iv) to Licensor's knowledge, there are no claims of any third parties that would call into question the rights of Licensor to grant to Licensee the rights and licenses granted hereunder, (v) to Licensor's knowledge, practice of Licensed IPA will not infringe intellectual property rights of third parties, and (vi) except for Licensed IPA, and the inventions disclosed therein, as of the Effective Date, Licensor does not own or control rights to any invention or any patent or patent application the claims of which would dominate any practice of Licensed IPA.

15.2. Without limiting Licensor's obligations under any other agreements, Licensor is under no obligation under this Agreement to assign or otherwise transfer title of any Licensed IPA to Licensee.

15.3. This Agreement does not (i) express or imply a warranty or representation as to the validity or scope of any Licensed IPA; (ii) express or imply a warranty or representation that any Licensed Product is or will be free from Violation of IPA of third parties; (iii) obligate either Party to bring any Action against a third party; (iv) confer by implication, estoppel or otherwise any license or rights other than licenses to Licensed IPA as defined in this Agreement; or (v) obligate Licensor to furnish any know-how not specified as part of Licensed IPA.

15.4. EXCEPT AS EXPRESSLY SET FORTH HEREIN, LICENSOR DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, AND FITNESS FOR A PARTICULAR PURPOSE.

16. ASSIGNABILITY

16.1. This Agreement, and any obligation or benefit arising hereunder, will not be assignable by either Party to any third party without the prior written consent of the other Party, such consent not to be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, each Party shall have the right, without the other Party's prior written consent, to assign this Agreement to a third party who acquires all or substantially all of the business or assets of such Party to which this Agreement relates, whether by merger, sale of stock, sale of assets or other similar transaction.

16.2. No permitted assignment of this Agreement will be valid and effective unless and until the assignee agrees in writing to be bound by the provisions of this Agreement. Any other attempt to transfer or assign will be void.

16.3. The terms and conditions of this Agreement will be binding on and inure to the benefit of the permitted successors and assigns of the Parties unless otherwise specified herein.

16.4. Upon a permitted assignment of this Agreement by a Party, all references herein to such Party will be deemed a reference to the assignee.

17. FAILURE TO PERFORM

17.1. No waiver by either Party of any default of this Agreement will be deemed a waiver of any subsequent or similar default.

17.2. A suspension of duty under this Agreement due to force majeure will not be for a period longer than six (6) months.

17.3. Subject to Section 19 (Dispute Resolution), if either Party finds it necessary to undertake legal action against the other on account of failure of performance due under this Agreement, then the prevailing Party is entitled to reasonable attorney's fees in addition to costs and necessary disbursements.

18. GOVERNING LAW

To the extent state law is applicable, this Agreement will be interpreted and construed in accordance with the laws of the state of California without regard to conflict of laws principles or to which party drafted particular provisions of this Agreement.

19. DISPUTE RESOLUTION

19.1. Any dispute or controversy relating to the inventorship, ownership, scope, validity, enforceability, or infringement of any intellectual property rights will be submitted to a court of competent jurisdiction in the country or regional authority in which such intellectual property rights were granted or arose. In the United States of America (USA), the court of competent jurisdiction for patents and trademarks will be a federal court.

19.2. All disputes will be conducted in the English language, and the English original version of this Agreement (if subsequently translated) will be considered the only legal version.

19.3. For actions which fall outside of the arbitration provisions of Section 19.4, venue will be within Santa Clara County in the state of California, USA, and the Parties agree to personal jurisdiction of the courts within Santa Clara County.

19.4. Subject to Section 19.1, any dispute arising out of or relating in any way to this Agreement and/or the relationship between the Parties, including without limitation, claims for breach of contract, will be submitted to binding arbitration. By agreeing to arbitrate, the Parties are agreeing to waive their right to a jury trial. The arbitration will be conducted in accordance with this Agreement, the Federal Arbitration Act, and the JAMS Comprehensive Arbitration Rules & Procedures as in effect on the date of this Agreement (the "**JAMS Rules**"). In the event of a conflict, the provisions of the JAMS Rules will control, except where those JAMS Rules conflict with this Agreement, in which case this Agreement will control. The arbitration will be conducted before a three-arbitrator panel (the "**Panel**"), regardless of the size of the dispute, to be selected as provided in the JAMS Rules. Each arbitrator will be a former state or federal judge with at least

five years of judicial experience. The arbitration will be commenced and held in Santa Clara County, California. Any issue concerning the location of the arbitration, the extent to which any dispute is subject to arbitration, the applicability, interpretation, or enforceability of these procedures, including any contention that all or part of these procedures are invalid or unenforceable, and any discovery disputes, will be resolved by the Panel. No potential arbitrator may serve unless he or she has agreed in writing to be bound by these procedures. Each Party will, upon the written request of the other Party, promptly provide the other with copies of all documents on which the producing Party may rely in support of or in opposition to any claim or defense and a report of any expert whom the producing Party may call as a witness in the arbitration hearing. At the request of a Party, and upon the showing of good cause, the Panel will have the discretion to order production by the other Party or by a third party of other documents relevant to any claim or defense. Each Party will be entitled to take a maximum of three depositions, plus depositions of all experts designated to be witnesses at the arbitration. The depositions will be limited to a maximum of six hours per deposition. All objections are reserved for the arbitration hearing, except for objections based on privilege and proprietary or confidential information. The Panel upon a showing of good cause may order additional depositions or deposition hours. All aspects of the arbitration will be treated as confidential and neither the Parties nor the arbitrators may disclose the existence, content or results of the arbitration, except as necessary to comply with legal or regulatory requirements. Before making any such disclosure, a Party will give written notice to all other parties and will afford such parties a reasonable opportunity to protect their interests. The result of the arbitration will be binding on the Parties and judgment on the Panel's award may be entered in any court having jurisdiction. Nothing in this Section 19.4 will affect any Party's ability to seek from a court temporary or interim injunctive or equitable relief to protect a Party's rights under this Agreement or otherwise. Each Party will share equally the cost of the arbitration filing and hearing fees, the cost of an independent expert retained by the Panel, the cost of the Panel, and administrative fees of JAMS. Each Party will bear its own costs including its attorney and witness fees and associated costs and expenses. The Parties intend that these provisions will be valid, binding, enforceable, exclusive and irrevocable and will survive any termination of this Agreement. **BY SIGNING THIS AGREEMENT, THE PARTIES ARE AGREEING TO HAVE ANY ISSUE ARISING OUT OF OR RELATING IN ANY WAY TO THIS AGREEMENT OR THE RELATIONSHIP BETWEEN THE PARTIES DECIDED IN ARBITRATION, AND THE PARTIES ARE GIVING UP THEIR RIGHT TO A JURY OR COURT TRIAL.**

20. Limitation of Liability. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, NEITHER PARTY NOR ANY OF ITS AFFILIATES WILL BE LIABLE HEREUNDER (INCLUDING FOR ANY LIABILITY FOR ANY ACTS OR OMISSIONS OF ITS EMPLOYEES, AGENTS OR SUBCONTRACTORS) FOR ANY INCIDENTAL, PUNITIVE OR INDIRECT DAMAGES, EVEN IF ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF THE FORM OF ACTION THROUGH WHICH SUCH DAMAGES ARE SOUGHT.

21. MISCELLANEOUS

21.1. This Agreement embodies the entire understanding of the Parties and supersedes all previous communications, representations or understandings between the Parties, either oral or written, relating to the subject matter hereof. Without limiting this Section 21.1, this Agreement specifically supersedes the Prior Agreement and the IP Agreement, both of which are hereby terminated.

21.2. No amendment or modification of this Agreement is valid or binding on the Parties unless made in writing and signed on behalf of each Party.

21.3. Headings are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

21.4. In case any of the provisions contained in this Agreement is held to be invalid, illegal or unenforceable in any respect, that invalidity, illegality or unenforceability will not affect any other provisions of this Agreement and this Agreement will be construed as if the invalid, illegal or unenforceable provisions had never been contained in it.

21.5. None of the provisions of this Agreement is intended to create any form of joint venture between the Parties, rights in third parties, or rights that are enforceable by any third party.

21.6. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission will be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[The remainder of this page is intentionally left blank. A signature page follows.]

This Agreement will be binding on the Parties as of the last date entered in the signature blocks below (the "**Effective Date**") when it has been signed below on behalf of each Party.

IN WITNESS WHEREOF, both Licensor and Licensee have executed this Agreement by their respective and duly authorized representatives on the day and year written.

INCUBE LABS, LLC	**RANI THERAPEUTICS, LLC**
By:	By:
/s/ Mir Imran	/s/ Svai Sanford
Signature	Signature
Mir Imran	Svai Sanford
Printed Name	Printed Name
Owner	Chief Financial Officer
Title	Title
June 22, 2021	June 22, 2021
Date	Date

Addresses for notice under Section 14:

InCube Labs, LLC Attn: Legal Department 2051 Ringwood Ave. San Jose, CA 95131	Rani Therapeutics, LLC Attn: Legal Department 2051 Ringwood Ave. San Jose, CA 95131
With copy to legal@incubelabs.com	With copy to rani-legal@ranitherapeutics.com

A. Patent Assets listed in Table 1.

Table 1

JX	TITLE	APPLICATION NO.	DATE FILED
US	METHOD FOR MANUFACTURING MICROTABLETS AND RELATED MACHINES	62/776,826	12/7/2018
US	METHOD AND APPARATUS FOR MANUFACTURING MICROTABLETS	16/704,822	12/5/2019
WO	METHOD AND APPARATUS FOR MANUFACTURING MICROTABLETS	PCT/US2019/064932	12/6/2019
US	DEVICES AND METHODS FOR ADMINISTERING A THERAPEUTIC SUBSTANCE	62/854,101	5/29/2019
WO	DEVICES AND METHODS FOR ADMINISTERING A THERAPEUTIC PREPARATION	PCT/US2020/034883	5/28/2020
US	SMALL FORM-FACTOR BATTERY WITH HIGH POWER DENSITY	62/905,950	9/25/2019
WO	SMALL FORM-FACTOR BATTERY WITH HIGH POWER DENSITY	PCT/US2020/002526	9/24/2020

B. Know-how that is reasonably necessary for Exploitation of a Licensed Product that is Covered by any Patent Asset listed in Table 1.

EXHIBIT A – Section A.2

A. Patent Assets listed in Table 2.

Table 2

JX	TITLE	APPLICATION NO.	DATE FILED
US	CONTROLLED RELEASE FORMULATION DELIVERY DEVICE	62/912,581	10/8/2019
WO	CONTROLLED RELEASE FORMULATION DELIVERY DEVICE	PCT/US2020/054559	10/7/2020
US	METHODS AND ARTICLES FOR DELIVERING VIABLE CELLS INTO SOLID TISSUE	62/305,878	3/9 2016
US	METHODS AND ARTICLES FOR DELIVERING VIABLE CELLS INTO SOLID TISSUE	15/455,075	3/9/2017
US	METHODS AND ARTICLES FOR DELIVERING VIABLE CELLS INTO SOLID TISSUE	15/455,080	3/9/2017
US	METHODS AND ARTICLES FOR DELIVERING VIABLE CELLS INTO SOLID TISSUE	16/701,552	12/3/2019
US	METHODS AND ARTICLES FOR DELIVERING VIABLE CELLS INTO SOLID TISSUE	16/255,020	1/23/2019
WO	METHODS AND ARTICLES FOR DELIVERING VIABLE CELLS INTO SOLID TISSUE	PCT/US2017/021692	3/9/2017
EP	METHODS AND ARTICLES FOR DELIVERING VIABLE CELLS INTO SOLID TISSUE	177641578	3/9/2017
AU	METHODS AND ARTICLES FOR DELIVERING VIABLE CELLS INTO SOLID TISSUE	2017230737	3/9/2017
CA	METHODS AND ARTICLES FOR DELIVERING VIABLE CELLS INTO SOLID TISSUE	3016673	3/9/2017
CN	METHODS AND ARTICLES FOR DELIVERING VIABLE CELLS INTO SOLID TISSUE	2017800283178	3/9/2017
IN	METHODS AND ARTICLES FOR DELIVERING VIABLE CELLS INTO SOLID TISSUE	201817037401	3/9/2017
JP	METHODS AND ARTICLES FOR DELIVERING VIABLE CELLS INTO SOLID TISSUE	2018546875	3/9/2017
US	ENCAPSULATED CELL DEVICE	62/960,536	1/13/2020
US	CELL DELIVERY ARTICLE AND METHODS OF ADMINISTRATION	63/017,519	4/29/2020
PCT	CELL DELIVERY ARTICLES AND METHODS OF ADMINISTRATION	PCT/US2021/013210	1/13/2021

B. Know-how that is reasonably necessary for Exploitation of a Licensed Product that is Covered by any Patent Asset listed in Table 2.

Exhibit 10.18

Non-Exclusive License Agreement

This non-exclusive license agreement (this "**Agreement**") is made by and between Rani Therapeutics, LLC ("**Rani**" or "**Licensor**"), a California limited liability company having an address at 2051 Ringwood Ave., San Jose, CA 95131, and InCube Labs, LLC ("**InCube**" or "**Licensee**"), a Delaware limited liability company having an address at 2051 Ringwood Ave., San Jose, CA 95131. Rani and InCube may be referred to herein individually as a "**Party**" and collectively as the "**Parties**".

BACKGROUND

A. Rani and InCube reviewed the InCube patent portfolio and agreed to transfer ownership of certain patent assets from InCube to Rani;

B. InCube only agreed to transfer those certain patent assets because those patent assets were expected to have applicability primarily or solely within the Field of Use;

C. However, as there may be uses outside the Field of Use for those certain patent assets, InCube desired, and Rani agreed to grant to InCube, a broad worldwide, perpetual, no-cost and fully-paid, non-exclusive license back to InCube to those patent assets for all fields excluding the Field of Use;

D. As agreed, InCube has assigned to Rani, and Rani has accepted the assignment of, ownership of those certain patent assets and thus the transfer of ownership is complete; and

E. Rani and InCube now desire to document the license back of those patent assets to InCube.

AGREEMENT

The Parties agree as follows:

1. DEFINITIONS

As used herein,

1.1. "**Affiliate**" means, with respect to any entity, any other entity that controls, is controlled by, or is under common control with such entity. For purposes of this Agreement, an entity will be deemed to control another entity if it owns, directly or indirectly, at least fifty percent (50%) of the equity securities of such other entity entitled to vote in the election of directors (or, in the case that such other entity is not a corporation, for the election of the corresponding managing authority), or otherwise has the power to direct the management and policies of such other entity.

1.2. "**Cover**" means, with respect to specified Patent Asset and a country, that a Violation of such Patent Asset would occur by Exploitation of a Product in such country absent a license under, or ownership of, such Patent Asset; provided, however, that in determining whether a Valid Claim of a pending patent application would be infringed, it will be treated as if issued in the form then currently being prosecuted, where infringement for purposes of this Section 1.2 is determined without considering the effect of any safe harbor provision. Lexical cognates of the word "Cover" (e.g., Covered or Covering) will have correlative meanings.

1.3. "**Exploit**" means to develop, make, use, promote, provide, offer to sell, sell, market, distribute, import, export, or otherwise commercialize. Lexical cognates of the word "Exploit" (e.g., Exploited, Exploiting, or Exploitation) will have correlative meanings.

1.4. "**Field of Use**" means oral delivery of sensors, small molecule drugs or biologic drugs including, any peptide, antibody, protein, cell therapy, gene therapy or vaccine.

1.5. "**IPA"** (intellectual property asset) means any invention, work of authorship, designation, design, formulation, formula, materials, data, know-how, idea, Patent Asset (defined herein), copyright, software, firmware, algorithm, trademark, tradename, trade secret, domain name, mask work, original document or compilation, or other intellectual property, including but not limited to all related alterations, improvements, modifications, revisions, adaptations, translations, enhancements or other derivative works thereto.

1.6. "**Licensed Patents** " means the Patent Assets listed on Exhibit A of this Agreement. For clarity, any Patent Asset listed on Exhibit A includes patents or patent applications that claim priority thereto as per the definition of Patent Asset.

1.7. "**Licensed Product**" means any Product the Exploitation of which would constitute a Violation of a Licensed Patent but for the license granted Licensee by Licensor herein.

1.8. "**Patent Asset**" means a patent application filed in any jurisdiction, together with any patent application claiming priority thereto (including but not limited to continuation, divisional, substitution, or national phase and validation applications claiming priority thereto, but in the case of a continuation-in-part application only to the extent that all claims in a patent issued on the continuation-in-part application are supported in the application(s) to which priority is claimed) and together with patents issuing on said patent application or said patent application claiming priority thereto (where issued patents include without limitation registrations, reissues, reexaminations and extensions).

1.9. "**Product**" means a service, technique, composition, product, system, or method of treatment.

1.10. "**Sublicensee**" means a third party to whom Licensee grants a sublicense under the license in Section 2 of this Agreement.

1.11. "**Valid Claim**" means (a) a claim of an issued and unexpired patent, or a supplementary protection certificate thereof, that has not been held permanently and unappealably revoked, unenforceable or invalid by a decision of a court, patent office or other forum of competent jurisdiction, and that is not admitted to be invalid or unenforceable through reissue, disclaimer or otherwise, or (b) a claim of a pending patent application that has not been abandoned, finally rejected or expired without the possibility of appeal or re-filing.

1.12. "**Violation**" means an infringement, misappropriation, and/or other violation of any valid and unexpired portion of specified IPA (e.g., infringement of a Valid Claim of a specified Patent Asset).

1.13. "**Will**" means a requirement or obligation; "**may**" means optionally.

2. LICENSE

2.1. Subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee a worldwide, perpetual, no-cost and fully-paid, non-exclusive license under all of its rights in the Licensed Patents to Exploit any Licensed Products, but solely outside the Field of Use. All intellectual property rights of Licensor not expressly granted in this Agreement are hereby reserved.

2.2. Licensor will not license a Licensed Patent to any third party in a specific field outside the Field of Use if Licensee can prove that it or its Sublicensee has been in active development of a Product in that field which Product is Covered by that Licensed Patent, and continuous and significant progress has been made toward commercialization of that Product.

3. SUBLICENSE

3.1. Licensee may sublicense all or any portion of its rights set forth in Section 2 to one or more Sublicensees under the following conditions:

3.1.1. All potential Sublicensees must be approved by Licensor in advance, such approval not to be unreasonably denied, conditioned, or delayed; provided that, subject to Section 3.2.1, Licensee will have the right to sublicense to an Affiliate of Licensee without prior consent of Licensor.

3.1.2. Each sublicense must be in writing and signed by both applicable parties, enforceable according to its terms, and subject to this Agreement.

3.1.3. No sublicense will grant, or purport to grant, any broader rights than those set forth in Section 2.

3.1.4. Sublicensees will not have the right to further sublicense; provided that, subject to Section 3.2.1, a Sublicensee of Licensee will have the right to sublicense to a wholly-owned subsidiary of that Sublicensee without prior consent of Licensor.

3.1.5. To the extent applicable, each sublicense must include all of the rights of and obligations due to Licensor contained in this Agreement. Without limiting the foregoing, each Sublicensee must at least agree to:

3.1.5.1. maintain insurance at the levels set forth in Section 14 (Insurance);

3.1.5.2. maintain in confidence Licensor's Confidential Information as defined in Section 11 (Confidentiality);

3.1.5.3. acknowledge that termination of this Agreement will terminate all sublicenses; provided that, a Sublicensee may request to convert to a status of a licensee upon termination of this Agreement to the extent allowed under Section 15 (Term and Termination);

3.1.5.4. also comply with the obligations on Licensee as set forth in Section 7 (Products); and

3.1.5.5. also comply with the obligations on Licensee as set forth in Section 9.1.

3.2. For each Sublicensee:

3.2.1. Licensee will, within thirty (30) days of execution of a sublicense, provide Licensor with a copy of that sublicense (which copy may be redacted with respect to information not pertinent to compliance with the terms and conditions of this Agreement).

4. ROYALTIES

4.1. No royalties are or will be due from Licensee or Sublicensee to Licensor, and the license granted to Licensee under Section 2 will be fully paid.

5. INTENTIONALLY OMITTED

6. INTENTIONALLY OMITTED

7. PRODUCTS

7.1. Licensee will make all commercially reasonable efforts to comply with all applicable laws, rules and regulations with respect to the Exploitation of Licensed Products.

7.2. Licensee will mark or cause to be marked, in accordance with the applicable patent marking laws, Licensed Products that are Exploited under the license granted in Section 2.

7.3. Licensee will make all commercially reasonable efforts to comply with all applicable U.S. and foreign laws with respect to the transfer of Licensed Products and related technical data to foreign countries, including without limitation, the International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations.

8. PROSECUTION AND MAINTENANCE OF PATENT ASSETS

8.1. Licensor will diligently endeavor to prosecute and maintain the Licensed Patents using counsel of its choice, and Licensor will provide Licensee with copies of relevant documentation upon request so that Licensee may be informed of the continuing prosecution, and Licensee agrees to keep this documentation confidential. Licensor's counsel will take instructions only from Licensor.

8.2. As reasonably requested by Licensee to protect the Licensed Products that Licensee may Exploit under this Agreement, and all with respect to the Licensed Patents and only upon request: Licensor will use reasonable efforts to amend any patent application and file new patent applications claiming priority to the Licensed Patents, anywhere in the world, and these amended and new patent applications will become part of the Licensed Patents. To the extent that requests by Licensee increase the cost of prosecution of the Licensed Patents, Licensor may pass the increased cost to Licensee without markup.

8.3. Licensor may file, prosecute or maintain patent applications at its own expense in any jurisdiction.

8.4. If Licensor fails to prosecute or maintain any Licensed Patent when obligated to do so under this Section 8, Licensee may first request that Licensor take immediate action and, if no action is taken by Licensor in a timely manner relative to an impending deadline, Licensee may proceed to prosecute, maintain, or revive such Licensed Patent.

8.5. Licensee will not make any statement disparaging, or admitting the invalidity or unenforceability of, any Licensed Patent during prosecution of Licensee's own patent portfolio.

9. ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS

9.1. Each Party will promptly notify the other Party, in writing, of (i) any known Violation of any Licensed Patent by a third party and will provide the other Party with available information relating to such Violation, and (ii) any allegation or action by a third party indicating that any Licensed Patent is invalid or unenforceable (e.g., a declaratory judgment action, a post-grant review action, or a communication from the third party) and will provide the other Party with available information relating to such allegation or action.

9.2. Licensee and its Sublicensees will not inform a third party of a potential Violation of any Licensed Patent within the Field of Use.

9.3. Licensor will have exclusive rights to initiate and control any enforcement proceeding with respect to a Violation of a Licensed Patent (such enforcement proceeding, an "**Action**") within the Field of Use, and will be entitled to all recoveries obtained therefrom; provided that, if any recoveries were received with respect to infringement of a patent claim requested by Licensee under Section 8.2, then such recoveries will be shared equally between the Parties. For any non-cash settlement or non-cash cross-license, Licensee and Licensor will negotiate in good faith an appropriate monetary value of such settlement or cross-license to use when calculating the recovery from an Action when the recovery is to be shared.

9.4. In the event that Licensor elects to initiate any Action outside the Field of Use, Licensor will deliver notice of such election to Licensee under Section 16 (Notices) at least sixty (60) days prior to initiation of such Action; if Licensee can reasonably prove that the Action would be in a field for which Licensee is actively engaged in activities towards Exploiting a Licensed Product, Licensor must obtain Licensee's consent before initiating such Action.

9.5. Licensee must request consent from Licensor to initiate an Action. Such request must be in writing and must include reasonable evidence of the Violation of the Licensed Patents and damage therefrom to Licensee or its Sublicensee. Licensor will not unreasonably withhold, condition, delay, or deny consent for such Action if the Violation occurred outside the Field of Use during the period and in a jurisdiction where Licensee had a license under this Agreement. Licensee will be entitled to all recoveries obtained from such Action.

9.6. Each Party will cooperate with the other Party in an Action brought by that other Party, at that other Party's expense, including but not limited to providing materials and information reasonably requested as being reasonably necessary for purposes of the Action.

9.7. Licensee will not settle, compromise, or discharge any Action brought in accordance with this Section 9 without prior written consent of Licensor; provided, that, written consent of Licensor will not be required for a settlement, compromise or discharge of any such Action that does not admit the invalidity or unenforceability of any Licensed Patent or have a material adverse effect on Licensor.

9.8. Licensee will not make any statement disparaging, or admitting the invalidity or unenforceability of, any Licensed Patent.

10. INVOICING AND PAYMENT

Licensor may invoice Licensee the excess costs incurred under Section 8.2 of this Agreement, and Licensee agrees to pay each invoice received from Licensor within thirty (30) days of the date of the invoice.

11. CONFIDENTIALITY

11.1. Except as otherwise provided herein, each Party will maintain in confidence, and will not use for any purpose or disclose to any third party information disclosed by the other Party in writing and marked "confidential" or that is disclosed orally and confirmed in writing as confidential within 45 days following such disclosure, or that by its nature would reasonably be considered to be confidential or proprietary (collectively, "**Confidential Information**"). Confidential Information will not include any information that: (i) is already known to the receiving Party at the time of disclosure hereunder, (ii) is now or hereafter becomes publicly known other than through acts or omissions of the receiving Party, (iii) is disclosed to the receiving Party by a third party under no obligation of confidentiality to the disclosing Party, or (iv) is independently developed by the receiving Party without reference to the Confidential Information of the disclosing Party.

11.2. Notwithstanding the provisions of Section 11.1, each Party may use or disclose Confidential Information in exercising its rights hereunder or fulfilling its obligations and duties hereunder and in prosecuting or maintaining any proprietary rights, prosecuting or defending any legal action, complying with applicable governmental regulations, and submitting information to tax or other governmental authorities, provided that, if the Party is required by law to make any disclosures of Confidential Information of the other, to the extent it may legally do so, the Party will give reasonable advance notice to the other of such disclosure, limit the disclosure to only the minimum information necessary, and will use its reasonable efforts to secure confidential treatment of Confidential Information prior to its disclosure (whether through protective orders or otherwise).

12. USE OF NAMES AND TRADEMARKS

Nothing contained in this Agreement confers any right to use in advertising, publicity or other promotional activities any name, trade name, trademark or other designation of either Party hereto (including contraction, abbreviation or simulation of any of the foregoing).

13. INDEMNIFICATION

13.1. Licensee will indemnify, hold harmless and defend Licensor, its officers, employees, and agents (individually or collectively, the "**Indemnified**") against any and all claims, legal actions, losses, liabilities, damages, costs, fees and expenses (including attorney fees), each as regards product liability or Violation of third-party IPA with respect to Licensed Products; provided that, the Indemnified (i) promptly notifies Licensee of an applicable claim, and (ii) provides Licensee, at Licensee's expense, with reasonable assistance and information upon reasonable request.

13.2. Licensee will keep Licensor informed on a current basis regarding any proceeding for which Licensee has an obligation to an Indemnified under Section 13.1.

13.3. Licensee will not settle, compromise, or discharge any claims or legal action under this Section 13 (Indemnification) without prior written consent of Licensor; except that no consent is required if the settlement, compromise, or discharge is limited to payment of monetary damages and does not admit fault or otherwise impair Licensor's rights under this Agreement.

14. INSURANCE

14.1. Licensee, at its sole cost and expense, will obtain, keep in force, and maintain commercially reasonable general and product liability insurance as applicable for any Licensed Products.

15. TERM AND TERMINATION

15.1. Subject to Section 15.2, unless otherwise terminated by operation of law, or by acts of the Parties in accordance with the terms of this Agreement, this Agreement will be in force perpetually from the Effective Date.

15.2. This Agreement will terminate when there are no remaining Valid Claims in the Licensed Patents.

15.3. Following termination of this Agreement, Licensor will be under no continuing or further obligation to prosecute or maintain any patent or patent application under any provision of this Agreement.

15.4. Termination of this Agreement does not relieve either Party of any obligation or liability accrued under this Agreement prior to termination or rescind any payment made or anything done by a Party prior to the time termination becomes effective. Termination does not affect in any manner any rights of the Parties arising under this Agreement prior to termination.

15.5. All rights and obligations arising under this Agreement which by their nature should survive termination of this Agreement will survive, including without limitation rights and obligations arising under the following provisions:

Section 10	Invoicing and Payment
Section 11	Confidentiality
Section 12	Use of Names and Trademarks
Section 13	Indemnification
Section 15	Termination
Section 17	Limitations and Limited Warranty
Section 18	Assignability
Section 20	Governing Law
Section 21	Dispute Resolution
Section 23	Limitation of Liability
Section 24	Miscellaneous (as applicable)

15.6. Additional Licensee and Sublicensee Rights

15.6.1. Licensee may terminate this Agreement at will in its entirety or as to any Patent Asset of the Licensed Patents by giving notice to Licensor under Section 16 (Notices). Such termination will be effective immediately from the effective date of such notice. In the event of such termination by Licensee, all rights so terminated will revert back to Licensor.

15.6.2. In the event that Licensee terminates this Agreement with respect to any Patent Asset(s) of the Licensed Patents without termination of the entire Agreement:

15.6.2.1. Licensor will be under no continuing or further obligation to prosecute or maintain any of the terminated Patent Assets under any provision of this Agreement; and

15.6.2.2. any Sublicensee affected by such termination may request to convert to a status of a licensee for such Patent Asset(s), which request Licensor will not unreasonably deny. To convert a Sublicensee to a licensee, Licensor and Sublicensee will execute a license on the same terms and conditions as set forth in this Agreement, or modifications thereto for which both parties agree.

15.6.3. Upon termination of this Agreement, Licensee is entitled to dispose of all previously made or partially made Licensed Products, but no more, within a period of 120 days (but no more); provided that, the Exploitation of such Licensed Products is subject to the terms of this Agreement; and provided that this Section 15.6.3 does not apply to termination under Section 15.2.

16. NOTICES

Any notice required to be given will be deemed to have been properly given if delivered to the respective address or facsimile number given on the Signature Page, or to another address or facsimile number of a Party as designated by written notice given by that Party to the other Party. All notices should be sent to the attention of the Legal Department. Notice will be effective on: (i) the date of delivery if delivered in person; (ii) three days after the date of mailing if mailed via first-class certified mail, postage paid or if mailed via any global express courier service that requires a recipient signature demonstrating the delivery of such notice; or (iii) the date of transmission if sent by facsimile with confirmation of transmission.

17. LIMITATIONS AND LIMITED WARRANTY

17.1. Licensor represents and warrants to Licensee that: (i) it has the lawful right to enter into this Agreement and grant the rights and licenses hereunder, (ii) Licensor is and will be the owner of the entire right, title, and interest in and to the Licensed Patents, (iii) Licensor has not previously granted and will not grant any rights in Licensed Patents that are inconsistent with the rights and licenses granted to Licensee herein, (iv) to Licensor’s knowledge, there are no claims of any third parties that would call into question the rights of Licensor to grant to Licensee the rights and licenses granted hereunder, (v) to Licensor’s knowledge, practice of Licensed Patents will not infringe intellectual property rights of third parties, and (vi) except for Licensed Patents, and the inventions disclosed therein, as of the Effective Date, Licensor does not own or control rights to any invention, or any patent or patent application the claims of which would dominate any practice of the Licensed Patents.

17.2. Without limiting Licensor’s obligations under any other agreements, Licensor is under no obligation under this Agreement to assign or otherwise transfer title of any Licensed Patents to Licensee.

17.3. This Agreement does not (i) express or imply a warranty or representation as to the validity or scope of any Licensed Patents; (ii) express or imply a warranty or representation that any Licensed Product is or will be free from a Violation of IPA of third parties; (iii) obligate either Party to bring any Action against a third party; (iv) confer by implication, estoppel or otherwise any license or rights other than the license to Licensed Patents as defined in this Agreement; or (v) obligate Licensor to furnish any know-how.

17.4. EXCEPT AS EXPRESSLY SET FORTH HEREIN, EACH PARTY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, AND FITNESS FOR A PARTICULAR PURPOSE.

18. ASSIGNABILITY

18.1. This Agreement, and any obligation or benefit arising hereunder, will be assignable by either Party to any third party without the prior written consent of the other Party, such consent not to be unreasonably

withheld, conditioned or delayed. Notwithstanding the foregoing, each Party shall have the right, without the other Party's prior written consent, to assign this Agreement to a third party who acquires all or substantially all of the business or assets of such Party to which this Agreement relates, whether by merger, sale of stock, sale of assets or other similar transaction.

18.2. No permitted assignment of this Agreement will be valid and effective unless and until the assignee agrees in writing to be bound by the provisions of this Agreement. Any other attempt to transfer or assign will be void.

18.3. The terms and conditions of this Agreement will be binding on and inure to the benefit of the permitted successors and assigns of the Parties unless otherwise specified herein.

18.4. Upon a permitted assignment of this Agreement by a Party, all references herein to such Party will be deemed a reference to the assignee.

19. FAILURE TO PERFORM

19.1. No waiver by either Party of any default of this Agreement will be deemed a waiver of any subsequent or similar default.

19.2. A suspension of duty under this Agreement due to force majeure will not be for a period longer than six (6) months.

19.3. Subject to Section 21 (Dispute Resolution), if either Party finds it necessary to undertake legal action against the other on account of failure of performance due under this Agreement, then the prevailing Party is entitled to reasonable attorney's fees in addition to costs and necessary disbursements.

20. GOVERNING LAW

To the extent state law is applicable, this Agreement will be interpreted and construed in accordance with the laws of the state of California without regard to conflict of laws principles or to which party drafted particular provisions of this Agreement.

21. DISPUTE RESOLUTION

21.1. Any dispute or controversy relating to the inventorship, ownership, scope, validity, enforceability, or infringement of any intellectual property rights will be submitted to a court of competent jurisdiction in the country or regional authority in which such intellectual property rights were granted or arose. In the United States of America (USA), the court of competent jurisdiction for patents will be a federal court.

21.2. All disputes will be conducted in the English language, and the English original version of this Agreement (if subsequently translated) will be considered the only legal version.

21.3. For legal actions which fall outside of the arbitration provisions of Section 21.4, venue will be within Santa Clara County in the state of California, USA, and the Parties agree to personal jurisdiction of the courts within Santa Clara County.

21.4. Subject to Section 21.1, any dispute arising out of or relating in any way to this Agreement and/or the relationship between the Parties, including without limitation, claims for breach of contract, will be submitted to binding arbitration. By agreeing to arbitrate, the Parties are agreeing to waive their right to a jury trial. The arbitration will be conducted in accordance with this Agreement, the Federal Arbitration Act, and the JAMS Comprehensive Arbitration Rules & Procedures as in effect on the date of this Agreement (the "**JAMS Rules**"). In the event of a conflict, the provisions of the JAMS Rules will control, except where those JAMS Rules conflict with this Agreement, in which case this Agreement will control. The arbitration

will be conducted before a three-arbitrator panel (the "**Panel**"), regardless of the size of the dispute, to be selected as provided in the JAMS Rules. Each arbitrator will be a former state or federal judge with at least five years of judicial experience. The arbitration will be commenced and held in Santa Clara County, California. Any issue concerning the location of the arbitration, the extent to which any dispute is subject to arbitration, the applicability, interpretation, or enforceability of these procedures, including any contention that all or part of these procedures are invalid or unenforceable, and any discovery disputes, will be resolved by the Panel. No potential arbitrator may serve unless he or she has agreed in writing to be bound by these procedures. Each Party will, upon the written request of the other Party, promptly provide the other with copies of all documents on which the producing Party may rely in support of or in opposition to any claim or defense and a report of any expert whom the producing Party may call as a witness in the arbitration hearing. At the request of a Party, and upon the showing of good cause, the Panel will have the discretion to order production by the other Party or by a third party of other documents relevant to any claim or defense. Each Party will be entitled to take a maximum of three depositions, plus depositions of all experts designated to be witnesses at the arbitration. The depositions will be limited to a maximum of six hours per deposition. All objections are reserved for the arbitration hearing, except for objections based on privilege and proprietary or confidential information. The Panel upon a showing of good cause may order additional depositions or deposition hours. All aspects of the arbitration will be treated as confidential and neither the Parties nor the arbitrators may disclose the existence, content or results of the arbitration, except as necessary to comply with legal or regulatory requirements. Before making any such disclosure, a Party will give written notice to all other parties and will afford such parties a reasonable opportunity to protect their interests. The result of the arbitration will be binding on the Parties and judgment on the Panel's award may be entered in any court having jurisdiction. Nothing in this Section 21.4 will affect any Party's ability to seek from a court temporary or interim injunctive or equitable relief to protect a Party's rights under this Agreement or otherwise. Each Party will share equally the cost of the arbitration filing and hearing fees, the cost of an independent expert retained by the Panel, the cost of the Panel, and administrative fees of JAMS. Each Party will bear its own costs including its attorney and witness fees and associated costs and expenses. The Parties intend that these provisions will be valid, binding, enforceable, exclusive and irrevocable and will survive any termination of this Agreement. **BY SIGNING THIS AGREEMENT, THE PARTIES ARE AGREEING TO HAVE ANY ISSUE ARISING OUT OF OR RELATING IN ANY WAY TO THIS AGREEMENT OR THE RELATIONSHIP BETWEEN THE PARTIES DECIDED IN ARBITRATION, AND THE PARTIES ARE GIVING UP THEIR RIGHT TO A JURY OR COURT TRIAL.**

22. MODIFICATION

No amendment or modification of this Agreement is valid or binding on the Parties unless made in writing and signed on behalf of each Party.

23. Limitation of Liability. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, NEITHER PARTY NOR ANY OF ITS AFFILIATES WILL BE LIABLE HEREUNDER (INCLUDING FOR ANY LIABILITY FOR ANY ACTS OR OMISSIONS OF ITS EMPLOYEES, AGENTS OR SUBCONTRACTORS) FOR ANY INCIDENTAL, PUNITIVE OR INDIRECT DAMAGES, EVEN IF ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF THE FORM OF ACTION THROUGH WHICH SUCH DAMAGES ARE SOUGHT.

24. MISCELLANEOUS

24.1. Headings are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

24.2. This Agreement embodies the entire understanding of the Parties and supersedes all previous communications, representations or understandings between the Parties, either oral or written, relating to the subject matter hereof.

24.3. In case any of the provisions contained in this Agreement is held to be invalid, illegal or unenforceable in any respect, that invalidity, illegality or unenforceability will not affect any other provisions of this Agreement and this Agreement will be construed as if the invalid, illegal or unenforceable provisions had never been contained in it.

24.4. None of the provisions of this Agreement is intended to create any form of joint venture between the Parties, rights in third parties, or rights that are enforceable by any third party.

24.5. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission will be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[A signature page follows.]

This Agreement will be binding on the Parties as of the last date entered in the signature blocks below (the "**Effective Date**") when it has been signed below on behalf of each Party.

IN WITNESS WHEREOF, both Licensor and Licensee have executed this Agreement by their respective and duly authorized representatives on the day and year written.

INCUBE LABS, LLC	**RANI THERAPEUTICS, LLC**
By:	**By:**
/s/ Mir Imran	/s/ Svai Sanford
Signature	Signature
Mir Imran	Svai Sanford
Printed Name	Printed Name
Owner	Chief Financial Officer
Title	Title
June 22, 2021	June 22, 2021
Date	Date

Addresses for notice under Section 16:

InCube Labs, LLC Attn: Legal Department 2051 Ringwood Ave. San Jose, CA 95131	Rani Therapeutics, LLC Attn: Legal Department 2051 Ringwood Ave. San Jose, CA 95131
With copy to legal@incubelabs.com	With copy to rani-legal@ranitherapeutics.com

EXHIBIT A
Licensed Patents

Licensed Patents are the Patent Assets listed in Table 1.

Table 1

TITLE	JX	APPLICATION NO.	DATE FILED
PHARMACEUTICAL COMPOSITIONS AND METHODS FOR FABRICATION OF SOLID MASSES COMPRISING POLYPEPTIDES AND/OR PROTEINS	US	61/993,907	5/15/2014
PHARMACEUTICAL COMPOUNDS AND METHODS FOR FABRICATION OF SOLID MASSES COMPRISING POLYPEPTIDES AND/OR PROTEINS	US	62/156,105	5/1/2015
PHARMACEUTICAL COMPOSITIONS AND METHODS FOR FABRICATION OF SOLID MASSES COMPRISING IMMUNOGLOBULINS	US	14/714,120	5/15/2015
PHARMACEUTICAL COMPOSITIONS AND METHODS FOR FABRICATION OF SOLID MASSES COMPRISING TNF-INHIBITING ANTIBODIES	US	14/714,126	5/15/2015
PHARMACEUTICAL COMPOSITIONS AND METHODS FOR FABRICATION OF SOLID MASSES COMPRISING ANTI-INTERLEUKIN ANTIBODIES	US	14/714,136	5/15/2015
PHARMACEUTICAL COMPOSITIONS AND METHODS FOR FABRICATION OF SOLID MASSES COMPRISING GLUCOSE REGULATING PROTEINS	US	14/714,146	5/15/2015
PHARMACEUTICAL COMPOSITIONS AND METHODS FOR FABRICATION OF SOLID MASSES COMPRISING ANTI-INTERLEUKIN ANTIBODIES	US	16/036,590	7/16/2018
PHARMACEUTICAL COMPOSITIONS AND METHODS FOR FABRICATION OF SOLID MASSES COMPRISING TNF-INHIBITING ANTIBODIES	US	16/050,995	7/31/2018
PHARMACEUTICAL COMPOSITIONS AND METHODS FOR FABRICATION OF SOLID MASSES COMPRISING POLYPEPTIDES AND/OR PROTEINS	US	16/112,558	8/24/2018
SHAPED MASS COMPOSITION COMPRISING EXENATIDE	US	16/229,711	12/21/2018
PHARMACEUTICAL COMPOSITIONS AND METHODS FOR FABRICATION OF SOLID MASSES COMPRISING POLYPEPTIDES AND/OR PROTEINS	WO	PCT/US2015/031239	5/15/2015
	EP	15792136.2	
	AU	2015258859	
	AU	2020256465	
	CA	2949236	
	CN	201580038265.3	
	IN	201617042019	
	JP	2017-512882	
	JP	2020-9861	
PHARMACEUTICAL COMPOUNDS AND METHODS FOR FABRICATION OF SOLID MASSES COMPRISING POLYPEPTIDES AND/OR PROTEINS	WO	PCT/US2016/030480	5/2/2016
	EP	16789913.7	
	AU	2016257813	
	CA	2983337	
	CN	201680039002.9	
	IN	201717042343	
	JP	2017-556851	
	JP	2021-42081	
ANTI-INTERLEUKIN ANTIBODY PREPARATIONS FOR DELIVERY INTO A LUMEN OF THE INTESTINAL TRACT USING A SWALLOWABLE DRUG DELIVERY DEVICE	US	62/159,134	5/8/2015
ANTI-INTERLEUKIN ANTIBODY PREPARATIONS FOR DELIVERY INTO A LUMEN OF THE INTESTINAL TRACT USING A SWALLOWABLE DRUG DELIVERY DEVICE	US	15/150,379	5/9/2016
ANTI-INTERLEUKIN ANTIBODY PREPARATIONS FOR DELIVERY INTO A LUMEN OF THE INTESTINAL TRACT USING A SWALLOWABLE DRUG DELIVERY DEVICE	WO	PCT/US2016/031548	5/9/2016
	EP	16793347.2	
	AU	2016261599	
	CA	2984422	
	CN	201680040187.5	
	IN	201717038974	

	JP	2017-557954	
	JP	2020-196688	
PHARMACEUTICAL COMPOSITIONS AND METHODS FOR FABRICATION OF SOLID MASSES COMPRISING POLYPEPTIDES AND/OR PROTEINS	US	15/144,733	5/2/2016
PHARMACEUTICAL COMPOSITIONS AND METHODS FOR FABRICATION OF SOLID MASSES COMPRISING POLYPEPTIDES AND/OR PROTEINS	US	16/248,629	1/15/2019
PCSK9 ANTIBODY PREPARATIONS FOR DELIVERY INTO A LUMEN OF THE INTESTINAL TRACT USING A SWALLOWABLE DRUG DELIVERY DEVICE	US	62/215,586	9/8/2015
PCSK9 ANTIBODY PREPARATIONS FOR DELIVERY INTO A LUMEN OF THE INTESTINAL TRACT USING A SWALLOWABLE DRUG DELIVERY DEVICE	US	15/260,260	9/8/2016
PCSK9 ANTIBODY PREPARATIONS FOR DELIVERY INTO A LUMEN OF THE INTESTINAL TRACT USING A SWALLOWABLE DRUG DELIVERY DEVICE	US	16/857,929	4/24/2020
PCSK9 ANTIBODY PREPARATIONS FOR DELIVERY INTO A LUMEN OF THE INTESTINAL TRACT USING A SWALLOWABLE DRUG DELIVERY DEVICE	WO	PCT/US2016/050832	9/8/2016
	EP	16845073.2	
	AU	2016320867	
	CA	2,997,958	
	CN	2016800650191	
	JP	2018-512407	
SWALLOWABLE CAPSULE, SYSTEM AND METHOD FOR MEASURING GASTRIC EMPTYING PARAMETERS	US	62/518,246	6/12/2017
SWALLOWABLE CAPSULE, SYSTEM AND METHOD FOR MEASURING GASTRIC EMPTYING PARAMETERS	US	16/006,093	6/12/2018
SWALLOWABLE CAPSULE, SYSTEM AND METHOD FOR MEASURING GASTRIC EMPTYING PARAMETERS	WO	PCT/US2018/037153	6/12/2018
	AU	2018282907	
	CA	3067021	
	CN	201880052262.9	
	EP	18818502.9	
INGESTIBLE DEVICE WITH EXPANDABLE ENCLOSURE	US	62/736,263	9/25/2018
INGESTIBLE DEVICE WITH EXPANDABLE ENCLOSURE	US	16/579,112	9/23/2019
INGESTIBLE DEVICE WITH EXPANDABLE ENCLOSURE	WO	PCT/US2019/052718	9/24/2019
	AU	TBD	
	BR	11 2021 005449.9	
	CA	TBD	
	CN	TBD	
	EP	19866570.5	
	EP	TBD	
	JP	TBD	
	KR	TBD	
	MX	MX/a/2021/003356	
DEVICES, SYSTEMS AND METHODS FOR DELIVERING THERAPEUTIC COMPOUNDS INTO A STOMACH WALL	US	62/812,867	3/1/2019
DEVICES, SYSTEMS, AND METHODS FOR DELIVERING THERAPEUTIC AGENTS INTO A STOMACH WALL	US	16/805,317	2/28/2020
DEVICES, SYSTEMS, AND METHODS FOR DELIVERING THERAPEUTIC AGENTS INTO A STOMACH WALL	WO	PCT/US2020/020540	2/28/2020
PROPULSIVE DRUG DELIVERY FROM A SWALLOWABLE DEVICE INTO A PATIENT’S INTESTINAL TRACT	US	62/821,250	3/20/2019
PROPULSIVE DRUG DELIVERY FROM A SWALLOWABLE DEVICE INTO A PATIENT’S INTESTINAL TRACT	US	16/805,583	2/28/2020

PROPULSIVE DRUG DELIVERY FROM A SWALLOWABLE DEVICE INTO A PATIENT'S INTESTINAL TRACT	US	PCT/US2020/020544	2/28/2020
INFLATABLE DEVICES, SYSTEMS AND METHODS FOR DELIVERING THERAPEUTIC COMPOUNDS INTO A WALL OF THE GASTRO INTESTINAL TRACT	US	62/909,206	10/1/2019
SELF-SIZING DEVICE FOR DELIVERING A FORMULATION TO A LUMEN WALL	WO	PCT/US2020/053619	9/30/2020
GASTROINTESTINAL LIQUID AUTOINJECTION	US	62/978,222	2/18/2020
LIQUID INJECTION OF A THERAPEUTIC AGENT INTO A WALL OF THE GASTROINTESTINAL TRACT	US	63/020,811	5/6/2020
INJECTION OF A THERAPEUTIC FORMULATION INTO A WALL OF THE GASTROINTESTINAL TRACT	WO	PCT/US2021/018399	2/17/2021

Exhibit 10.19

Intellectual Property Agreement

This agreement (the "**Agreement**") dated June 22, 2021 (the "**Effective Date**") is hereby made by and between Mir A. Imran ("**Mir**"), an individual residing at 12894 Brendel Dr., Los Altos, CA 94022, in his personal capacity, and Rani Therapeutics, LLC ("**Rani**"), a California company having an address at 2051 Ringwood Ave., San Jose, CA 95131. Mir and Rani may be referred to herein individually as a "**Party**" or collectively as the "**Parties**".

WHEREAS, Mir is a significant equity holder of Rani and has a vested interest in Rani's performance and success; and

WHEREAS, Mir possess certain technical knowledge and skills relevant to Rani's products and business which he desires to provide to Rani, and which Rani desires to accept, in order to improve Rani's performance.

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

1 DEFINITIONS

As used herein,

1.1 "**Field of Use**" means oral delivery of sensors, small molecule drugs or biologic drugs including, any peptide, antibody, protein, cell therapy, gene therapy or vaccine.

1.2 "**MIR IPA**" means any IPA conceived or created, in whole or in part, by Mir from the Effective Date, during the term of this Agreement (a) where Mir uses any people, equipment or facilities of Rani or (b) that is within the Field of Use.

1.3 "**Intellectual Property Asset**" ("**IPA**") means any invention, work of authorship, designation, design, formulation, formula, materials, data, Patent Asset, copyright, software, firmware, algorithm, mask work, original document or compilation,

1.4 "**Patent Asset**" means a patent application filed in any jurisdiction, together with any patent application claiming priority thereto (including but not limited to continuation, divisional, substitution, or national phase and validation applications claiming priority thereto; provided that, in the case of a continuation-in-part patent application, only with respect to a patent issued thereon and only to the extent that the claims in that issued patent are supported in the application(s) to which priority is claimed), and patents issuing on said patent application or patent applications claiming priority thereto (where issued patents include without limitation registrations, reissues, reexaminations and extensions).

2 INTELLECTUAL PROPERTY

2.1 MIR IPA will be owned by Rani. Mir hereby assigns to Rani all of Mir's right, title and interest in and to the MIR IPA. Mir will promptly disclose all MIR IPA to Rani and will assist Rani, at Rani's request and expense, to evidence such assignment to Rani, which assistance will include, without limitation, signing, verifying and delivering any documents and performing any other acts, for Rani to obtain and enforce intellectual property rights relating to the MIR IPA.

2.2 Rani will, unless otherwise agreed, have the sole right, to file for, prosecute, maintain, and enforce MIR IPA at Rani's expense.

3 CONFIDENTIALITY

3.1 Except as otherwise provided herein, each Party will maintain in confidence, and will not use for any purpose or disclose to any third party information disclosed by the other Party in writing and marked "confidential" or that is disclosed orally and confirmed in writing as confidential within 45 days following such disclosure, or that by its nature would reasonably be considered to be confidential or proprietary (collectively, "**Confidential Information**"). Confidential Information will not include any information that: (i) is already known to the receiving Party at the time of disclosure hereunder, (ii) is now or hereafter becomes publicly known other than through acts or omissions of the receiving Party, (iii) is disclosed to the receiving Party by a third party under no obligation of confidentiality to the disclosing Party, or (iv) is independently developed by the receiving Party without reference to the Confidential Information of the disclosing Party.

3.2 Notwithstanding the provisions of Section 3.1, each Party may use or disclose Confidential Information in exercising its rights hereunder or fulfilling its obligations and duties hereunder and in prosecuting or maintaining any proprietary rights, prosecuting or defending any legal action, complying with applicable governmental regulations, and submitting information to tax or other governmental authorities, provided that, if the Party is required by law to make any disclosures of Confidential Information of the other, to the extent it may legally do so, the Party will give reasonable advance notice to the other of such disclosure, limit the disclosure to only the minimum information necessary, and will use its reasonable efforts to secure confidential treatment of Confidential Information prior to its disclosure (whether through protective orders or otherwise).

4 TERM & TERMINATION

The initial Term of the Agreement will be three (3) years from the Effective Date. The Term may be extended by mutual written consent of both parties. The Agreement may be terminated by either party, within the initial Term, by giving the other party 3 months' notice. Expiration or termination of this Agreement shall be without prejudice to any right or obligation accruing prior to such expiration or termination. For the avoidance of doubt, any IPA conceived or created by Mir after the expiration or termination of this Agreement shall not be subject to this Agreement.

5 ASSIGNABILITY

5.1 This Agreement, and any obligation or benefit arising hereunder, will not be assignable by either Party to any third party without the prior written consent of the other Party.

5.2 No permitted assignment of this Agreement will be valid and effective unless and until the assignee agrees in writing to be bound by the provisions of this Agreement. Any other attempt to transfer or assign will be void.

5.3 The terms and conditions of this Agreement will be binding on and inure to the benefit of the permitted successors and assigns of the Parties unless otherwise specified herein.

5.4 Upon a permitted assignment of this Agreement by a Party, all references herein to such Party will be deemed a reference to the assignee.

6 DISPUTE RESOLUTION

6.1 To the extent state law is applicable, this Agreement will be interpreted and construed in accordance with the laws of the state of California without regard to conflict of laws principles or to which party drafted particular provisions of this Agreement.

6.2 Any dispute or controversy relating to the inventorship or ownership, of any intellectual property rights will be submitted to a court of competent jurisdiction in the country or regional authority in which such intellectual property rights were granted or arose. In the United States of America (USA), the court of competent jurisdiction for patents and trademarks will be a federal court.

6.3 All disputes will be conducted in the English language, and the English original version of this Agreement (if subsequently translated) will be considered the only legal version.

6.4 For actions which fall outside of the arbitration provisions of Section 6.5, venue will be within Santa Clara County in the state of California, USA, and the Parties agree to personal jurisdiction of the courts within Santa Clara County.

6.5 Subject to Section 6.2, any dispute arising out of or relating in any way to this Agreement and/or the relationship between the Parties, including without limitation, claims for breach of contract, will be submitted to binding arbitration. By agreeing to arbitrate, the Parties are agreeing to waive their right to a jury trial. The arbitration will be conducted in accordance with this Agreement, the Federal Arbitration Act, and the JAMS Comprehensive Arbitration Rules & Procedures as in effect on the date of this Agreement (the "**JAMS Rules**"). In the event of a conflict, the provisions of the JAMS Rules will control, except where those JAMS Rules conflict with this Agreement, in which case this Agreement will control. The arbitration will be conducted before a three-arbitrator panel (the "**Panel**"), regardless of the size of the dispute, to be selected as provided in the JAMS Rules. Each arbitrator will be a former state or federal judge with at least five years of judicial experience. The arbitration will be commenced and held in Santa Clara County, California. Any issue concerning the location of the arbitration, the extent to which any dispute is subject to arbitration, the applicability, interpretation, or enforceability of these procedures, including any contention that all or part of these procedures are invalid or unenforceable, and any discovery disputes, will be resolved by the Panel. No potential arbitrator may serve unless he or she has agreed in writing to be bound by these procedures. Each Party will, upon the written request of the other Party, promptly provide the other with copies of all documents

on which the producing Party may rely in support of or in opposition to any claim or defense and a report of any expert whom the producing Party may call as a witness in the arbitration hearing. At the request of a Party, and upon the showing of good cause, the Panel will have the discretion to order production by the other Party or by a third party of other documents relevant to any claim or defense. Each Party will be entitled to take a maximum of three depositions, plus depositions of all experts designated to be witnesses at the arbitration. The depositions will be limited to a maximum of six hours per deposition. All objections are reserved for the arbitration hearing, except for objections based on privilege and proprietary or confidential information. The Panel upon a showing of good cause may order additional depositions or deposition hours. All aspects of the arbitration will be treated as confidential and neither the Parties nor the arbitrators may disclose the existence, content or results of the arbitration, except as necessary to comply with legal or regulatory requirements. Before making any such disclosure, a Party will give written notice to all other parties and will afford such parties a reasonable opportunity to protect their interests. The result of the arbitration will be binding on the Parties and judgment on the Panel's award may be entered in any court having jurisdiction. Nothing in this Section 6.5 will affect any Party's ability to seek from a court temporary or interim injunctive or equitable relief to protect a Party's rights under this Agreement or otherwise. Each Party will share equally the cost of the arbitration filing and hearing fees, the cost of an independent expert retained by the Panel, the cost of the Panel, and administrative fees of JAMS. Each Party will bear its own costs including its attorney and witness fees and associated costs and expenses. The Parties intend that these provisions will be valid, binding, enforceable, exclusive and irrevocable and will survive any termination of this Agreement. **BY SIGNING THIS AGREEMENT, THE PARTIES ARE AGREEING TO HAVE ANY ISSUE ARISING OUT OF OR RELATING IN ANY WAY TO THIS AGREEMENT OR THE RELATIONSHIP BETWEEN THE PARTIES DECIDED IN ARBITRATION, AND THE PARTIES ARE GIVING UP THEIR RIGHT TO A JURY OR COURT TRIAL.**

7 LIMITATION OF LIABILITY

7.1 NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, NEITHER PARTY NOR ANY OF ITS AFFILIATES WILL BE LIABLE HEREUNDER (INCLUDING FOR ANY LIABILITY FOR ANY ACTS OR OMISSIONS OF ITS EMPLOYEES, AGENTS OR SUBCONTRACTORS) FOR ANY INCIDENTAL, PUNITIVE OR INDIRECT DAMAGES, EVEN IF ADVISED IN ADVANCE OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF THE FORM OF ACTION THROUGH WHICH SUCH DAMAGES ARE SOUGHT.

8 SURVIVAL

Upon termination of this Agreement: (i) section 2.1 shall survive for a period of six months, and (ii) sections 3, 6, 7, 8, and 9 shall survive indefinitely.

9 MISCELLANEOUS

9.1 This Agreement embodies the entire understanding of the Parties and supersedes all previous communications, representations or understandings between the Parties, either oral or written, relating to the subject matter hereof.

9.2 Headings are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

9.3 No amendment or modification of this Agreement is valid or binding on the Parties unless made in writing and signed on behalf of each Party.

9.4 No waiver by either Party of any default of this Agreement will be deemed a waiver of any subsequent or similar default.

9.5 In case any of the provisions contained in this Agreement is held to be invalid, illegal or unenforceable in any respect, that invalidity, illegality or unenforceability will not affect any other provisions of this Agreement and this Agreement will be construed as if the invalid, illegal or unenforceable provisions had never been contained in it.

9.6 None of the provisions of this Agreement is intended to create any form of joint venture between the Parties, rights in third parties, or rights that are enforceable by any third party.

9.7 All notices, requests, consents, claims, demands, waivers, and other communications hereunder will be in writing and will be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the addresses provided for notice on the signature page (or at such other address for a party as will be specified in a notice given in accordance with this Section 8.7).

9.8 This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission will be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

This Agreement will be binding on the Parties as of the Effective Date when signed below on behalf of each Party.

IN WITNESS WHEREOF, both Parties have executed this Agreement by their respective and duly authorized representatives.

Mir A. Imran

Mir A. Imran
Signature

Rani Therapeutics, LLC
By:

/s/ Svai Sanford
Signature

Svai Sanford
Printed Name

Chief Financial Officer
Title

Addresses for notice under Section 8.7:

Mir A. Imran
12894 Brendel Dr.
Los Altos, CA 94022

Rani Therapeutics, LLC
Attn: Legal Department
2051 Ringwood Ave.
San Jose, CA 95131

LOAN AND SECURITY AGREEMENT

Dated as of September 15, 2020

between

RANI THERAPEUTICS, LLC,

a California limited liability company,

as "Borrower",

and

AVENUE VENTURE OPPORTUNITIES FUND, L.P.,

a Delaware limited partnership,

as "Lender"

LOAN AND SECURITY AGREEMENT

Borrower and Lender have entered or anticipate entering into one or more transactions pursuant to which Lender agrees to make available to Borrower a loan facility governed by the terms and conditions set forth in this document and one or more Supplements executed by Borrower and Lender which incorporate this document by reference. Each Supplement constitutes a supplement to and forms part of this document, and will be read and construed as one with this document, so that this document and the Supplement constitute a single agreement between the parties (collectively referred to as this "**Agreement**").

Accordingly, the parties agree as follows:

ARTICLE 1 - INTERPRETATION

1.1 Definitions. The terms defined in Article 10 and in the Supplement will have the meanings therein specified for purposes of this Agreement.

1.2 Inconsistency. In the event of any inconsistency between the provisions of any Supplement and this document, the provisions of the Supplement will be controlling for the purpose of all relevant transactions.

1.3 Transparency Pledge. For the avoidance of doubt and notwithstanding anything to the contrary contained in this Agreement or in the other Loan Documents: (a) the occurrence of a Material Adverse Change or Material Adverse Effect shall not constitute an Event of Default or otherwise allow Lender to declare the outstanding Loans due and payable; (b) Lender shall not be entitled to (i) require Borrower's investors or members of Borrower's Board of Managers to make any additional written or verbal commitments of ongoing financial support, or (ii) require Borrower to conduct its banking or hold its deposits at any specific bank or financial institution; and (c) Borrower shall not be required to maintain any minimum tangible net worth, working capital, current ratio, quick asset ratio, liquidity ratio or debt-to-equity ratio or comply with any similar financial covenant.

ARTICLE 2 - THE COMMITMENT AND LOANS

2.1 The Commitment. Subject to the terms and conditions of this Agreement, Lender agrees to make term loans to Borrower from time to time from the Closing Date and to and including the Termination Date in an aggregate principal amount not exceeding the Commitment. The Commitment is not a revolving credit commitment, and Borrower does not have the right to repay and reborrow hereunder, provided that Borrower may prepay the Loans as set forth in the Supplement. Each Loan requested by Borrower to be made on a single Business Day shall be for a minimum principal amount set forth in the Supplement, except to the extent the remaining Commitment is a lesser amount.

2.2 Notes Evidencing Loans; Repayment. Each Loan shall be evidenced by a separate Note payable to the order of Lender, in the total principal amount of the Loan. Principal and interest of each Loan shall be payable at the times and in the manner set forth in the Note and regularly scheduled payments thereof shall be effected by automatic debit of the appropriate funds from Borrower's Primary Operating Account as specified in the Supplement hereto. Repayment of the Loans and payment of all other amounts owed to Lender will be paid by Borrower in the currency in which the same has been provided (i.e., United States Dollars).

2.3 Procedures for Borrowing.

(a) At least five (5) Business Days prior to a proposed Borrowing Date (or such lesser period of time as may be agreed upon by Lender in its sole discretion), Lender shall have received from Borrower a written request for a borrowing hereunder (a "**Borrowing Request**"). Each Borrowing Request shall be in substantially the form of Exhibit "B" to the Supplement, shall be executed by a responsible executive or financial officer of Borrower, and shall state how much is requested, and shall be accompanied by such other information and documentation as Lender may reasonably request, including the executed Note(s) for the Loan(s) covered by the Borrowing Request.

(b) No later than 1:00 p.m. Pacific Standard Time on the Borrowing Date, if Borrower has satisfied the conditions precedent in Article 4 by 9:00 a.m. Pacific Standard Time on such Borrowing Date, Lender shall make the Loan available to Borrower in immediately available funds.

2.4 Interest. Except as otherwise specified in the applicable Note and/or Supplement, Basic Interest on the outstanding principal balance of each Loan shall accrue daily at the Designated Rate from the Borrowing Date. If the outstanding principal balance of such Loan is not paid at maturity, interest shall accrue at the Default Rate until paid in full, as further set forth herein.

2.5 Intentionally Omitted.

2.6 Interest Rate Calculation. Basic Interest, along with charges and fees under this Agreement and any Loan Document, shall be calculated for actual days elapsed on the basis of a 360-day year, which results in higher interest, charge or fee payments than if a 365-day year were used. In no event shall Borrower be obligated to pay Lender interest, charges or fees at a rate in excess of the highest rate permitted by applicable law from time to time in effect.

2.7 Default Interest. Any unpaid payments in respect of the Obligations shall bear interest from their respective maturities, whether scheduled or accelerated, at the Default Rate, Borrower shall pay such interest on demand.

2.8 Late Charges. If Borrower is late in making any scheduled payment in respect of the Obligations by more than five (5) days, then Borrower agrees to pay a late charge of five percent (5%) of the payment due, but not less than fifty dollars ($50.00) for any one such delinquent payment. This late charge may be charged by Lender for the purpose of defraying the expenses incidental to the handling of such delinquent amounts. Borrower acknowledges that such late charge represents a reasonable sum considering all of the circumstances existing on the date of this Agreement and represents a fair and reasonable estimate of the costs that will be sustained by Lender due to the failure of Borrower to make timely payments. Borrower further agrees that proof of actual damages would be costly and inconvenient. Such late charge shall be paid without prejudice to the right of Lender to collect any other amounts provided to be paid or to declare a default under this Agreement or any of the other Loan Documents or from exercising any other rights and remedies of Lender.

2.9 Lender's Records. Principal, Basic Interest and all other sums owed under any Loan Document shall be evidenced by entries in records maintained by Lender for such purpose. Each payment on and any other credits with respect to principal, Basic Interest and all other sums outstanding under any Loan Document shall be evidenced by entries in such records. Absent manifest error, Lender's records shall be conclusive evidence thereof.

2.10 Grant of Security Interests; Filing of Financing Statements.

(a) To secure the timely payment and performance of all of Borrower's Obligations, Borrower hereby grants to Lender continuing security interests in all of the Collateral. In connection with the foregoing, Borrower authorizes Lender to prepare and file any financing statements describing the Collateral without otherwise obtaining Borrower's signature or consent with respect to the filing of such financing statements. Such financing statements may indicate the Collateral as "all assets of the Debtor" or words of similar effect.

(b) In furtherance of Borrower's grant of the security interests in the Collateral pursuant to Section 2.10(a) above, Borrower hereby pledges and grants to Lender a security interest in all the Shares, together with all proceeds and substitutions thereof, all cash, stock and other moneys and property paid thereon, all rights to subscribe for securities declared or granted in connection therewith, and all other cash and noncash proceeds of the foregoing, as security for the performance of the Obligations. On the Closing Date or at any time thereafter following Lender's request, the certificate or certificates for the Shares will be delivered to the Lender, accompanied by an instrument of assignment duly executed in blank by Borrower, unless such Shares have not been certificated. To the extent required by the terms and conditions governing the Shares, Borrower shall cause the books of each entity whose Shares are part of the Collateral and any transfer agent to reflect the pledge of the Shares. Upon the occurrence and during the continuance of an Event of Default hereunder, Lender may effect the transfer of any securities included in the Collateral (including but not limited to the Shares) into the name of Lender and cause new certificates representing such securities to be issued in the name of Lender or its transferee(s). Borrower will execute and deliver such documents, and take or cause to be taken such actions, as Lender may reasonably request to perfect or continue the perfection of Lender's security interest in the Shares. Except as provided in the following sentence, Borrower shall be entitled to exercise any voting rights with respect to the Shares and to give consents, waivers and ratifications in respect thereof, provided that no vote shall be cast or consent, waiver or ratification given or action taken which would constitute a violation of any of the terms of this Agreement. All such rights to vote and give consents, waivers and ratifications shall terminate upon the occurrence and continuance of an Event of Default and Lender's written notice to Borrower of Lender's intent to exercise its rights and remedies under this Agreement, including this Section 2.10(b).

(c) Borrower is and shall remain absolutely and unconditionally liable for the performance of its Obligations, including, without limitation, any deficiency by reason of the failure of the Collateral to satisfy all amounts due Lender under any of the Loan Documents.

(d) All Collateral pledged by Borrower under this Agreement and any Supplement shall secure the timely payment and performance of all Obligations. Except in connection with dispositions permitted by this Agreement or as otherwise expressly provided in this Agreement (in which case the Lien on the Collateral so transferred shall be automatically deemed released), no Collateral pledged under this Agreement or any Supplement shall be released until such time as all Obligations (other than inchoate indemnity obligations) have been satisfied and paid in full.

ARTICLE 3 – REPRESENTATIONS AND WARRANTIES

Borrower represents and warrants that, except as set forth in the Supplement or the Schedule of Exceptions hereto, if any, as of the Closing Date and each Borrowing Date:

3.1 Due Organization. Borrower is a limited liability company duly organized and validly existing in good standing under the laws of the jurisdiction of its formation, and is duly qualified to conduct business and is in good standing in each other jurisdiction in which its business is conducted or its properties are located, except where the failure to be so qualified or in good standing could not reasonably be expected to have a Material Adverse Effect.

3.2 Authorization, Validity and Enforceability. The execution, delivery and performance of all Loan Documents executed by Borrower are within Borrower's powers, have been duly authorized, and are not in conflict with Borrower's certificate of formation or operating agreement, or the terms of any charter or other organizational document of Borrower, as amended from time to time; and all such Loan Documents constitute valid and binding obligations of Borrower, enforceable in accordance with their terms (except as may be limited by bankruptcy, insolvency and similar laws affecting the enforcement of creditors' rights in general, and subject to general principles of equity).

3.3 Compliance with Applicable Laws. Borrower has complied with all licensing, permit and fictitious name requirements necessary to lawfully conduct the business in which it is engaged, and to any sales, leases or the furnishing of services by Borrower, including without limitation those requiring consumer or other disclosures, the noncompliance with which would have a Material Adverse Effect.

3.4 No Conflict. The execution, delivery, and performance by Borrower of all Loan Documents are not in conflict with any law, rule, regulation, order or directive, or any indenture or other material agreement or undertaking to which Borrower is a party or by which Borrower may be bound. Without limiting the generality of the foregoing, the issuance of the Warrant and the grant of registration rights in connection therewith do not violate any agreement or instrument by which Borrower is bound or require the consent of any holders of Borrower's securities other than consents which have been obtained prior to the Closing Date.

3.5 No Litigation, Claims or Proceedings. Except as disclosed in Schedule 3.5 or otherwise disclosed to Lender as required pursuant to Section 5.1(a), there is no litigation, tax claim, proceeding or dispute pending, or, to the knowledge of Borrower, threatened in writing against or affecting Borrower, its property or the conduct of its business that, in each case, could reasonably be expected to result in liability or damages to Borrower in excess of $150,000.

3.6 Correctness of Financial Statements. Borrower's financial statements which have been delivered to Lender fairly and accurately, in all material respects, reflect Borrower's financial condition in accordance with GAAP (except with respect to unaudited financial statements, for the absence of footnotes and subject to normal year-end adjustments) as of the latest date of such financial statements; and, since that date there has been no Material Adverse Change.

3.7 No Subsidiaries. As of the Closing Date, Borrower is not a majority owner of or in a control relationship with any other business entity, except for Rani Management.

3.8 Environmental Matters. To its knowledge, Borrower is in compliance with applicable Environmental Laws, except to the extent a failure to be in such compliance could not reasonably be expected to have a Material Adverse Effect.

3.9 No Event of Default. No Default or Event of Default has occurred and is continuing.

3.10 Full Disclosure. None of the representations or warranties made by Borrower in the Loan Documents as of the date such representations and warranties are made or deemed made, and none of the written statements contained in any exhibit, report, statement or certificate furnished by or on behalf of Borrower in connection with the Loan Documents (including disclosure materials delivered by or on behalf of Borrower to Lender prior to the Closing Date or pursuant to Section 5.2 hereof), taken as a whole, contains any untrue statement of a material fact or omits any material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they are made, not misleading as of the time when made or delivered (it being recognized by Lender that projections and estimates as to future events provided by Borrower in good faith are not to be viewed as facts and that the actual results during the period or periods covered by any such projections and estimates may differ from projected or estimated results).

3.11 Specific Representations Regarding Collateral.

(a) Title. Except for the security interests created by this Agreement and Permitted Liens, (i) Borrower is and will be the unconditional legal and beneficial owner of the Collateral, and (ii) the Collateral is genuine and subject to no Liens. There exist no prior collateral assignments or encumbrances of record with the U.S. Patent and Trademark Office or U.S. Copyright Office affecting any Collateral in favor of any third party, other than Permitted Liens.

(b) Rights to Payment. The names of the obligors, amount owing to Borrower, due dates and all other information with respect to the Rights to Payment are and will be correctly stated in all material respect sin all Records relating to the Rights to Payment. Borrower further represents and warrants, to its knowledge, that each Person appearing to be obligated on a Right to Payment has authority and capacity to contract and is bound as it appears to be.

(c) Location of Collateral. As of the Closing Date, Borrower's chief executive office, Inventory, Records, Equipment, and any other offices or places of business are located at the address(es) shown on the Supplement.

(d) Business Names. Other than its full corporate name, Borrower has not conducted business using any trade names or fictitious business names except as shown on the Supplement.

3.12 Copyrights, Patents, Trademarks and Licenses.

(a) Borrower owns or is licensed or otherwise has the right to use all of the patents, trademarks, service marks, trade names, copyrights, contractual franchises, authorizations and other similar rights that are reasonably necessary for the operation of its business, without known conflict with the rights of any other Person, except as could not reasonably be expected to have a Material Adverse Effect.

(b) To Borrower's knowledge, no slogan or other advertising device, product, process, method, substance, part or other material now employed, or now contemplated to be employed, by Borrower infringes upon any rights held by any other Person, except as could not reasonably be expected to have a Material Adverse Effect.

(c) No claim or litigation regarding any of the foregoing is pending or, to Borrower's knowledge, threatened in writing, and, to Borrower's knowledge, no patent, invention, device, application, principle or any statute, law, rule, regulation, standard or code is pending or proposed which, in either case, could reasonably be expected to have a Material Adverse Effect.

3.13 Regulatory Compliance. Borrower has met the minimum funding requirements of ERISA with respect to any employee benefit plans subject to ERISA. No event has occurred resulting from Borrower's failure to comply with ERISA that is reasonably likely to result in Borrower's incurring any liability that could reasonably be expected to have a Material Adverse Effect. Borrower is not required to be registered as an "investment company" or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940. Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulations T and U of the Board of Governors of the Federal Reserve System). Borrower has complied in all material respects with all the provisions of the Federal Fair Labor Standards Act.

3.14 Shares. Borrower has full power and authority to create a first priority Lien on the Shares and no disability or contractual obligation exists that would prohibit Borrower from pledging the Shares pursuant to

this Agreement. To Borrower's knowledge, there are no subscriptions, warrants, rights of first refusal or other restrictions on transfer relative to, or options exercisable with respect to the Shares. The Shares have been and will be duly authorized and validly issued, and are fully paid and non-assessable. To Borrower's knowledge, the Shares are not the subject of any present or threatened (in writing) suit, action, arbitration, administrative or other proceeding, and Borrower knows of no reasonable grounds for the institution of any such proceedings.

3.15 Compliance with Anti-Corruption Laws. Borrower has not taken any action that would cause a violation of any anti-corruption law, including but not limited to, the Foreign Corrupt Practices Act, the United Kingdom Bribery Act, and all other applicable anti-corruption laws. Borrower, its employees, and, to its knowledge, its agents and representatives have not, directly or indirectly, offered, paid, given, promised or authorized the payment of any money, gift or anything of value to any person acting in an official capacity for any government department, agency or instrumentality, including state-owned or controlled companies or entities, and public international organizations, as well as a political party or official thereof or candidate for political office in violation of applicable law. None of Borrower's principals or staff are officers, employees or representatives of governments, government agencies, or government-owned or controlled enterprises.

3.16 Survival. The representations and warranties of Borrower as set forth in this Agreement survive the execution and delivery of this Agreement.

ARTICLE 4 - CONDITIONS PRECEDENT

4.1 Conditions to First Loan. The obligation of Lender to make its first Loan hereunder is, in addition to the conditions precedent specified in Section 4.2 and in any Supplement, subject to the fulfillment of the following conditions and to the receipt by Lender of the documents described below, duly executed and in form and substance satisfactory to Lender and its counsel:

(a) Resolutions. A certified copy of the resolutions of the Board of Managers of Borrower authorizing the execution, delivery and performance by Borrower of the Loan Documents.

(b) Incumbency and Signatures. A certificate of the secretary of Borrower certifying the names of the officer or officers of Borrower authorized to sign the Loan Documents, together with a sample of the true signature of each such officer.

(c) Legal Opinion. The opinion of legal counsel for Borrower as to such matters as Lender may reasonably request, in form and substance reasonably satisfactory to Lender.

(d) Charter Documents. Copies of the organizational and charter documents of Borrower (e.g., Certificate of Formation and Operating Agreement), as amended through the Closing Date, certified by an officer of Borrower as being true, correct and complete.

(e) This Agreement. Counterparts of this Agreement and the initial Supplement, with all schedules completed and attached thereto, and disclosing such information as is acceptable to Lender.

(f) Financing Statements. Filing copies (or other evidence of filing satisfactory to Lender and its counsel) of such UCC financing statements, collateral assignments, account control agreements, and termination statements, with respect to the Collateral as Lender shall request.

(g) Intellectual Property Security Agreement. An Intellectual Property Security Agreement executed by Borrower in form and substance reasonably satisfactory to Lender.

(h) Lien Searches. UCC lien, judgment, bankruptcy and tax lien searches of Borrower from such jurisdictions or offices as Lender may reasonably request, all as of a date reasonably satisfactory to Lender and its counsel.

(i) Good Standing Certificate. A certificate of status or good standing of Borrower as of a date acceptable to Lender from the jurisdiction of Borrower's organization and any foreign jurisdictions where Borrower is qualified to do business.

(j) Warrant. The Warrant issued by Borrower exercisable for such number, type and class of shares of Borrower's units, and for an initial exercise price as is specified therein.

(k) Insurance Certificates. Insurance certificates showing Lender as loss payee or additional insured.

(l) Other Documents. Such other documents and instruments as Lender may reasonably request to effectuate the intents and purposes of this Agreement.

4.2 Conditions to All Loans. The obligation of Lender to make its initial Loan and each subsequent Loan is subject to the following further conditions precedent that:

(a) No Default. No Default or Event of Default has occurred and is continuing or will result from the making of any such Loan, and the representations and warranties of Borrower contained in Article 3 of this Agreement and Part 3 of the Supplement are true and correct in all material respects as of the Borrowing Date of such Loan, except to the extent such representations and warranties relate solely to an earlier date (in which case the same are true and correct in all material respects as of such date).

(b) No Material Adverse Change. No event has occurred that has had or could reasonably be expected to have a Material Adverse Change.

(c) Borrowing Request. Borrower shall have delivered to Lender a Borrowing Request for such Loan.

(d) Note. Borrower shall have delivered an executed Note evidencing such Loan, substantially in the form attached to the Supplement as an exhibit.

(e) Supplemental Lien Filings. Borrower shall have executed and delivered such amendments or supplements to this Agreement and additional Security Documents, financing statements and third party waivers as Lender may reasonably request in connection with the proposed Loan, in order to create, protect or perfect or to maintain the perfection of Lender's Liens on the Collateral.

(f) VCOC Limitation. Lender shall not be obligated to make any Loan under its Commitment if at the time of or after giving effect to the proposed Loan Lender would no longer qualify as: (i) a "venture capital operating company" under U.S. Department of Labor Regulations Section 2510.3-101(d), Title 29 of the Code of Federal Regulations, as amended; and (ii) a "business development company" under the provisions of federal Investment Company Act of 1940, as amended; and (iii) a "regulated investment company" under the provisions of the Internal Revenue Code of 1986, as amended.

(g) Financial Projections. Borrower shall have delivered to Lender Borrower's business plan and/or financial projections or forecasts as most recently approved by Borrower's Board of Managers.

ARTICLE 5 - AFFIRMATIVE COVENANTS

During the term of this Agreement and until its performance of all Obligations (other than inchoate indemnity obligations), Borrower will:

5.1 Notice to Lender. Promptly give written notice to Lender of:

(a) Any litigation or administrative or regulatory proceeding affecting Borrower where the amount claimed against Borrower is at the Threshold Amount or more, or where the granting of the relief requested could reasonably be expected to have a Material Adverse Effect; or of the acquisition by Borrower of any commercial tort claim where the amount claimed by Borrower equals or exceeds the Threshold Amount, including brief details of such claim and such other information as Lender may reasonably request to enable Lender to better perfect its Lien in such commercial tort claim as Collateral.

(b) Any dispute which may exist between Borrower and any governmental or regulatory authority that could reasonably be expected to result in a Material Adverse Effect.

(c) The occurrence of any Default or any Event of Default.

(d) Any change in the location of any of Borrower's places of business or Collateral at least ten (10) days in advance of such change (except for changes in location of (i) items of movable property such as laptop computers and (ii) other Collateral with a book value less than $100,000), or of the establishment of any new, or the discontinuance of any existing, place of business.

(e) Any dispute or default by Borrower or any other party under any joint venture, partnering, distribution, cross-licensing, strategic alliance, collaborative research or manufacturing, license or similar agreement which could reasonably be expected to have a Material Adverse Effect.

(f) Any other matter which has resulted or could reasonably be expected to result in a Material Adverse Change.

(g) Any Subsidiary Borrower intends to acquire or create.

5.2 Financial Statements. Deliver to Lender or cause to be delivered to Lender, in form and detail satisfactory to Lender the following financial and other information, which Borrower warrants shall be accurate and complete in all material respects:

(a) Monthly Financial Statements. As soon as available but no later than thirty (30) days after the end of each month, Borrower's unaudited balance sheet as of the end of such period, and Borrower's unaudited income statement and cash flow statement for such period and for that portion of Borrower's financial reporting year ending with such period, prepared in accordance with GAAP (except for the absence of footnotes and subject to normal year-end audit adjustments) and attested by a responsible financial officer of Borrower as being complete and correct in all material respects and fairly presenting Borrower's financial condition and the results of Borrower's operations as of the date(s) and for the period(s) covered thereby. After a Qualified Public Offering, and during such time as Borrower maintains a market capitalization reasonably determined by Lender, the foregoing interim financial statements shall be delivered no later than 45 days after each of the first three fiscal quarters of each fiscal year.

(b) Year-End Financial Statements. As soon as available but no later than one hundred twenty (120) days after the end of each fiscal year, a complete copy of Borrower's audit report, which shall include balance sheet, income statement, statement of changes in equity and statement of cash flows for such year, prepared in accordance with GAAP and certified by an independent certified public accountant selected by Borrower and satisfactory to Lender (the "**Accountant**"). With the exception of a qualification as to going concerns, the Accountant's certification shall not be qualified or limited due to a restricted or limited examination by the Accountant of any material portion of Borrower's records.

(c) Compliance Certificates. Simultaneously with the delivery of each set of financial statements referred to in paragraphs (a) and (b) above, a certificate of the chief financial officer of Borrower (or other executive officer) substantially in the form of Exhibit "C" to the Supplement (a "**Compliance Certificate**") stating, among other things, whether any Default or Event of Default exists on the date of such certificate, and if so, setting forth the details thereof and the action which Borrower is taking or proposes to take with respect thereto.

(d) Government Required Reports. Within thirty (30) days after each month, after sending, issuing, making available, or filing, copies of all reports, proxy statements, and financial statements that Borrower sends or makes available generally to all of its stockholders (in their capacities as such), and, not later than five (5) days after actual filing or the date such filing was first due, all registration statements and reports that Borrower files or is required to file with the Securities and Exchange Commission, or any other equivalent governmental or regulatory authority having similar authority. Documents required to be delivered pursuant to the terms of this Section 5.2 (to the extent any such documents are included in materials otherwise filed with the Securities and Exchange Commission or other equivalent governmental or regulatory authority having similar authority) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date on which Borrower posts such documents, or provides a link thereto, on Borrower's website on the internet at Borrower's website address.

(e) Other Information. Such other statements, lists of property and accounts, budgets (as updated), sales projections, forecasts, reports, 409A valuation reports (as updated), operating plans, financial exhibits, capitalization tables (as updated) and information relating to equity and debt financings consummated after the Closing Date (including post-closing capitalization table(s)), or other information as Lender may from time to time reasonably request and as prepared by Borrower in the ordinary course of business.

(f) Board Packages. In addition to the information described in Section 5.2(e), Borrower will promptly provide Lender with copies of all notices, minutes, consents and other materials, financial or otherwise, which Borrower provides to its Board of Managers (collectively, "**Board Packages**"); provided, however, that Borrower need not provide Lender with copies of routine Board actions, such as option and stock grants under Borrower's equity incentive plan in the normal course of business; and provided, further, however, that such Board Packages may be redacted to preserve the attorney-client or similar privilege or protect attorney work product, to protect highly confidential proprietary information to avoid violation of any confidentiality obligations owed to third parties, or for other similar reasons or if such redacted material relates to Lender (or Borrower's strategy regarding the Loans or Lender).

5.3 Managerial Assistance from Lender. Permit Lender to substantially participate in, and substantially influence the conduct of management of Borrower through the exercise of "management rights," as that term is defined in 29 C.F.R. § 2510.3-101(d), including without limitation the following rights:

(a) Borrower agrees that (i) it will make its officers, managers, employees and affiliates available at such times as

Lender may reasonably request for Lender to consult with and advise as to the conduct of Borrower's business, its equipment and financing plans, and its financial condition and prospects, (ii) Lender shall have the right to inspect Borrower's books, records, facilities and properties at reasonable times during normal business hours on reasonable advance notice, and (iii) Lender shall be entitled to recommend prospective candidates for election or nomination for election to Borrower's Board of Managers and Borrower shall give due consideration to (but shall not be bound by) such recommendations, it being the intention of the parties that Lender shall be entitled through such rights, *inter alia*, to furnish "significant managerial assistance", as defined in Section 2(a)(47) of the Investment Company Act of 1940, to Borrower.

(b) Without limiting the generality of (a) above, if Lender reasonably believes that financial or other developments affecting Borrower have impaired or are likely to impair Borrower's ability to perform its obligations under this Agreement, permit Lender reasonable access to Borrower's management and/or Board of Managers and opportunity to present Lender's views with respect to such developments.

Lender shall cooperate with Borrower to ensure that the exercise of Lender's rights shall not disrupt the business of Borrower. The rights enumerated above shall not be construed as giving Lender control over Borrower's management or policies.

The rights granted in this Section 5.3 shall terminate upon the earliest to occur of (a) Borrower becoming subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Securities Exchange Act of 1934, as amended, (b) consummation of a sale of Borrower's securities pursuant to a registration statement filed by Borrower under the Securities Act of 1933, as amended, in connection with a firm commitment underwritten public offering of Borrower's securities, (c) such time as Lender and its affiliates do not own any of the following that were issued by Borrower pursuant to this Agreement: (i) the Notes; (ii) the Warrant; and (iii) the shares acquired pursuant to such Warrant, and (d) the consummation of a merger or consolidation of Borrower that is effected (i) for independent business reasons unrelated to extinguishing such rights and (ii) for purposes other than (A) the reincorporation of Borrower in a different state or (B) the formation of a holding company that will be owned exclusively by Borrower's stockholders and will hold all of the outstanding shares of capital stock of Borrower's successor.

5.4 Existence. Maintain and preserve Borrower's existence, present form of business, and all rights and privileges the loss of which could reasonably be expected to result in a Material Adverse Effect; and keep all Borrower's property in good working order and condition, ordinary wear and tear and obsolescence excepted.

5.5 Insurance. Obtain and keep in force insurance in such amounts and types as is usual in the type of business conducted by Borrower, with insurance carriers having a policyholder rating of not less than "A" and financial category rating of Class VII in "Best's Insurance Guide," unless otherwise approved by Lender. Such insurance policies must be in form and substance reasonably satisfactory to Lender, and shall list Lender as an additional insured or loss payee, as applicable, on endorsement(s) in form reasonably acceptable to Lender. Borrower shall furnish to Lender such endorsements, and upon Lender's request, copies of any or all such policies. So long as no Event of Default exists, Lender agrees to remit proceeds of insurance not to exceed $150,000 received by Lender to Borrower and Borrower shall use such proceeds for the purchase or replacement of the damaged or destroyed Collateral.

5.6 Accounting Records. Maintain adequate books, accounts and records, and prepare all financial statements in accordance with GAAP (except with respect to unaudited financial statements, for the absence of footnotes and subject to normal year-end audit adjustments), and in compliance with the regulations of any governmental or regulatory authority having jurisdiction over Borrower or Borrower's business where noncompliance could reasonably be expected to have a Material Adverse Effect; and permit employees or agents of Lender upon reasonable prior notice and at such reasonable times as Lender may request, at Borrower's expense (not to exceed $2,500 in any 12-month period unless an Event of Default has occurred and is continuing), to inspect Borrower's properties, and to examine, review and audit, and make copies and memoranda of Borrower's books, accounts and records, provided that such inspections shall not occur more than once per year unless an Event of Default exists.

5.7 Compliance with Laws. Comply with all laws (including Environmental Laws), rules, regulations applicable to, and all orders and directives of any governmental or regulatory authority having jurisdiction over, Borrower or Borrower's business, and with all material agreements to which Borrower is a party, except where the failure to so comply would not have a Material Adverse Effect.

5.8 Taxes and Other Liabilities. Pay all Borrower's Indebtedness when due, except as may be contested in good faith by appropriate proceedings and for which Borrower shall maintain appropriate reserves; pay all federal and all other taxes and other governmental or regulatory assessments (individually or in the aggregate in excess of $10,000) before delinquency or before any penalty attaches thereto, except as may be contested in good faith by the appropriate procedures and for which Borrower shall maintain appropriate reserves; and timely file all federal and all other required material tax returns (subject to any applicable extensions).

5.9 Special Collateral Covenants.

(a) Maintenance of Collateral; Inspection. Do all things reasonably necessary to maintain, preserve, protect and keep all Collateral in good working order and salable condition, ordinary wear and tear excepted, deal with the Collateral in all commercially reasonable ways as are considered good practice by owners of like property, and use the Collateral lawfully and, to the extent applicable, only as permitted by Borrower's insurance policies. Maintain, or cause to be maintained, complete and accurate Records, in all material respects, relating to the Collateral. Upon reasonable prior notice at reasonable times during normal business hours (but in no case more than once per year if no Event of Default has occurred and is continuing), Borrower hereby authorizes Lender's officers, employees, representatives and agents to inspect the Collateral and to discuss the Collateral and the Records relating thereto with Borrower's officers and employees, and, in the case of any Right to Payment during the continuance of an Event of Default, after consultation with Borrower, with any Person which is or may be obligated thereon.

(b) Documents of Title. Not sign or authorize the signing of any financing statement or other document naming Borrower as debtor or obligor, or acquiesce or cooperate in the issuance of any bill of lading, warehouse receipt or other document or instrument of title with respect to any Collateral, except those negotiated to Lender, or those naming Lender as secured party, or if solely to create, perfect or maintain a Permitted Lien.

(c) Change in Location or Name. Without at least 10 days' prior written notice to Lender: (a) not relocate any Collateral (other than (i) moveable property such as laptop computers and (ii) other Collateral with a book value less than $100,000) or Records, its chief executive office, or establish a place of business at a location other than as specified in the Supplement; and (b) not change its name, mailing address, location of Collateral (other than (i) moveable property such as laptop computers and (ii) other Collateral with a book value less than $100,000), jurisdiction of formation or its legal structure.

(d) Decals, Markings. At the request of Lender, if an Event of Default exists, firmly affix a decal, stencil or other marking to designated items of Equipment, indicating thereon the security interest of Lender.

(e) Agreement with Persons in Possession of Collateral. Use its commercially reasonable efforts to obtain and maintain such acknowledgments, consents, waivers and agreements (each a "**Waiver**") from the owner, operator, lienholder, mortgagee, landlord or any Person in possession of tangible Collateral (other than (i) items of moveable property such as laptop computers and (ii) other Collateral with a book value less than $100,000 per location) as Lender may require, all in form and substance reasonably satisfactory to Lender. In addition, Lender shall have the right to require Borrower to use its commercially reasonable efforts to provide Lender with a Waiver for any Collateral that is located in a jurisdiction that provides for statutory landlord's Liens and for any location at which the Person in possession of such Collateral has a Lien thereon. Notwithstanding anything to the contrary in this Section 5.9(e), Borrower and Lender acknowledge and agree that all material Intellectual Property and Records that are maintained on items of Collateral for which Borrower is unable to provide a Waiver also shall be maintained or backed up in a manner sufficient that Lender shall be able to have access to such Intellectual Property and Records in accordance with the exercise of Lender's rights hereunder.

(f) Certain Agreements on Rights to Payment. Other than in the ordinary course of business, not make any material discount, credit, rebate or other reduction in the original amount owing on a Right to Payment or accept in satisfaction of a Right to Payment less than the original amount thereof.

5.10 Authorization for Automated Clearinghouse Funds Transfer. (i) Authorize Lender to initiate debit entries to Borrower's Primary Operating Account, specified in the Supplement hereto, through Automated Clearinghouse ("**ACH**") transfers, in order to satisfy the regularly scheduled payments of

principal and interest; (ii) provide Lender at least twenty (20) days' notice of any change in Borrower's Primary Operating Account; and (iii) grant Lender any additional authorizations necessary to begin ACH debits from a new account which becomes the Primary Operating Account.

5.11 Anti-Corruption Laws. Provide true, accurate and complete information, in all material respects, in all product orders, reimbursement requests and other communications relating to Borrower and its products.

ARTICLE 6 - NEGATIVE COVENANTS

During the term of this Agreement and until the performance of all Obligations (other than inchoate indemnity obligations), Borrower will not:

6.1 Indebtedness. Be indebted for borrowed money, the deferred purchase price of property, or leases which would be capitalized in accordance with GAAP; or become liable as a surety, guarantor, accommodation party or otherwise for or upon any obligation with respect to any of the foregoing of any other Person, except:

(a) Indebtedness incurred for the acquisition of supplies, inventory or other property or services on normal trade credit;

(b) Indebtedness incurred or assumed pursuant to one or more transactions permitted under Section 6.4;

(c) Indebtedness of Borrower under this Agreement;

(d) Subordinated Debt;

(e) any Indebtedness approved by Lender prior to the Closing Date as shown on Schedule 6.1;

(f) Indebtedness secured by a lien described in clause (c) of the defined term "Permitted Liens" not to exceed $100,000 in aggregate principal amount outstanding at any time;

(g) Any Indebtedness arising from the endorsement of instruments in the ordinary course of business;

(h) Indebtedness incurred under corporate credit cards not to exceed $100,000 in aggregate principal amount outstanding at any time;

(i) guaranties and similar surety obligations in respect of Indebtedness permitted under this Section 6.1;

(j) Indebtedness of Borrower to any Subsidiary or to Incube Labs, LLC; provided the same is Subordinated Debt;

(k) Other indebtedness in an aggregate principal amount not to exceed $150,000 outstanding at any time; and

(l) extensions, refinancings, modifications, amendments and restatements, and renewals of any of the foregoing; provided that the principal amount thereof is not increased.

6.2 Liens. Create, incur, assume or permit to exist any Lien, or grant any other Person a negative pledge that limits, restricts or prohibits the granting of any lien on Borrower's property in favor of Lender, on any of Borrower's property, except, in each case, for Permitted Liens and any negative pledge in respect of any asset subject to a Lien permitted by clause (c) of the definition of Permitted Liens. Borrower and Lender agree that this covenant is not intended to constitute a lien, deed of trust, equitable mortgage, or security interest of any kind on any of Borrower's real property, and this Agreement shall not be recorded or recordable. Notwithstanding the foregoing, however, violation of this covenant by Borrower shall constitute an Event of Default.

6.3 Dividends. Except after a Qualified Public Offering, pay any dividends or purchase, redeem or otherwise acquire or make any other distribution with respect to any of Borrower's capital stock, except (a) dividends or other distributions solely of capital stock of Borrower, (b) so long as no Event of Default has occurred and is continuing, repurchases of stock from employees, managers, consultants or contractors upon termination of employment or services under reverse vesting or similar repurchase plans not to exceed $100,000 in any calendar year, (c) the conversion of Borrower's convertible securities into other securities pursuant to the terms of such convertible securities or otherwise in exchange thereof and payments of cash in lieu of the issuance of fractional shares in connection with the conversion or exercise of convertible securities, (d) the purchase, redemption or other acquisition of shares of Borrower's capital stock with the proceeds received from a substantially concurrent issue of new shares of its capital stock and (e) tax distributions to the holders of Borrower's membership interests , in an amount not greater than the amounts required to be paid by Borrower pursuant to Section 10.2

of the Third Amended and Restated Limited Liability Company Agreement of Borrower, dated as of August 24, 2017, as in effect on the date hereof, and as may be amended, restated, supplemented or otherwise modified from time to time so long as such amendment, restatement, supplement or other modification would not result in an increase to the amount of tax distributions required to be paid thereunder.

6.4 Fundamental Changes. (a) Liquidate or dissolve; (b) consummate, or permit any of Borrower's Subsidiaries to consummate, any Change of Control; or (c) acquire, or permit any of Borrower's Subsidiaries to acquire, all or substantially all of the capital stock or property of another Person, unless such acquisition is permitted pursuant to Section 6.14(a). Notwithstanding anything to the contrary in this Section 6.4, Borrower may consummate a transaction that will constitute a Change of Control so long as: (i) the Person that results from such Change of Control (the "**Surviving Entity**") shall have executed and delivered to Lender an agreement in form and substance reasonably satisfactory to Lender, containing an assumption by the Surviving Entity of the due and punctual payment and performance of all Obligations and performance and observance of each covenant and condition of Borrower in the Loan Documents; (ii) all such obligations of the Surviving Entity to Lender shall be guaranteed by any Person that directly or indirectly owns or controls 50% or more of the voting stock of the Surviving Entity; (iii) immediately after giving effect to such Change of Control, no Event of Default or, event which with the lapse of time or giving of notice or both, would result in an Event of Default shall have occurred and be continuing; (iv) the credit risk to Lender, in its sole discretion, with respect to the Obligations and the Collateral shall not be increased; and (v) Borrower shall have provided to Lender notice of any Change in Control transaction no later than ten (10) days after entering into such transaction. In determining whether the proposed Change of Control would result in an increased credit risk, Lender may consider, among other things, changes in Borrower's management team, employee base, access to equity markets, venture capital support, financial position and/or disposition of intellectual property rights which may reasonably be anticipated as a result of the Change of Control. In addition, (i) a Subsidiary may merge or consolidate into another Subsidiary and (ii) Borrower may consolidate or merge with any of Borrower's Subsidiaries provided that Borrower is the continuing or surviving Person.

6.5 Sales of Assets. Sell, transfer, lease, license or otherwise dispose of (a "**Transfer**") any of Borrower's assets except (i) non-exclusive licenses of Intellectual Property in the ordinary course of business consistent with industry practice and licenses that may be exclusive in certain respects, such as field of use or specific molecules, and as to territory but only as to discreet geographical areas outside of the United States of America; provided that, in each case, such licenses of Intellectual Property neither result in a legal transfer of title of the licensed Intellectual Property nor have the same effect as a sale of such Intellectual Property; (ii) Transfers of worn-out, obsolete or surplus property (each as determined by Borrower in its reasonable judgment); (iii) Transfers of Inventory in the ordinary course of business; (iv) Transfers constituting Permitted Liens; (v) Transfers permitted in Section 6.3, 6.4, 6.6 or 6.7 hereunder; (vi) Transfers of assets (other than Intellectual Property) for fair consideration and in the ordinary course of its business and (vii) other Transfers in an aggregate amount not to exceed $150,000 in any fiscal year.

6.6 Loans/Investments. Make or suffer to exist any loans, advances, or investments ("**Investments**"), except:

(a) accounts receivable in the ordinary course of Borrower's business;

(b) Investments in domestic certificates of deposit issued by, and other domestic investments with, financial institutions organized under the laws of the United States or a state thereof, having at least One Hundred Million Dollars ($100,000,000) in capital and a rating of at least "investment grade" or "A" by Moody's or any successor rating agency;

(c) Investments in marketable obligations of the United States of America and in open market commercial paper given the highest credit rating by a national credit agency and maturing not more than one year from the creation thereof;

(d) temporary advances to cover incidental expenses to be incurred in the ordinary course of business;

(e) Investments in joint ventures, strategic alliances, licensing and similar arrangements customary in Borrower's industry and which do not require Borrower to assume or otherwise become liable for the obligations of any third party not directly related to or arising out of such arrangement or, without the prior written consent of Lender, require Borrower to transfer ownership of non-cash assets to such joint venture or other entity;

(f) Investments in (i) one or more wholly-owned domestic Subsidiaries of Borrower, so long as in accordance with Section 6.14(a) of this Agreement, each such Person has been made a co-borrower hereunder or has executed and delivered to Lender an agreement, in form and substance reasonably satisfactory to Lender, containing a guaranty of the Obligations, and (ii) one or more wholly-owned foreign Subsidiaries of Borrower with the prior written consent of Lender;

(g) Investments approved by Lender prior to the Closing Date as shown on Schedule 6.6;

(h) Investments accepted in connection with transactions permitted under Section 6.4 or investments accepted in connection with Transfers permitted by Section 6.5;

(i) Investments consisting of deposit accounts; provided Lender has a perfected security interest therein to the extent required by 6.11;

(j) Investments consisting of the endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business;

(k) non-cash loans approved by Borrower's Board of Managers to employees, officers or managers relating to the purchase of equity securities of Borrower pursuant to employee stock purchase plans or agreements approved by Borrower's Board of Managers, limited to an aggregate total of $250,000 at any time outstanding;

(l) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the ordinary course of Borrower's business;

(m) Investments permitted under Section 6.11;

(n) Investments consisting of notes receivable of, or prepaid royalties and other credit extensions to, customers and suppliers in the ordinary course of business;

(o) Investments by wholly owned Subsidiaries in other wholly owned Subsidiaries or in Borrower; and

(p) Other investments not otherwise permitted by this Section 6.6 not exceeding $250,000 in any fiscal year.

6.7 Transactions with Related Persons. Directly or indirectly enter into any transaction with or for the benefit of a Related Person except for (i) transactions on terms not more favorable to the Related Person than would have been obtainable in an "arms' length" dealing, (ii) sales of equity securities by Borrower and incurrence of Subordinated Debt for capital raising purposes, (iii) transactions that have otherwise been disclosed in writing to, and reviewed and approved by, Lender (including on Schedule 6.7 hereto), (iv) employment and consulting arrangements, including stock options, employee compensation, and severance arrangements in the ordinary course of business, (v) customary reimbursement and indemnity arrangements in the ordinary course of business, and (vi) Investments permitted under clauses (d), (f), (k) or (o) of Section 6.6.

6.8 Other Business. Engage in any material line of business other than the business Borrower conducts as of the Closing Date and any business substantially similar or related or incidental thereto.

6.9 Financing Statements and Other Actions. Fail to execute and deliver to Lender all financing statements, notices and other documents (including, without limitation, any filings with the United States Patent and Trademark Office and the United States Copyright Office) from time to time reasonably requested by Lender to maintain a perfected first priority security interest in the Collateral in favor of Lender, subject to Permitted Liens; perform such other acts, and execute and deliver to Lender such additional conveyances, assignments, agreements and instruments, as Lender may at any time reasonably request in connection with the administration and enforcement of this Agreement or Lender's rights, powers and remedies hereunder.

6.10 Compliance. Become required to be registered as an "investment company" or controlled by an "investment company," within the meaning of the Investment Company Act of 1940, or become principally engaged in, or undertake as one of its important activities, the business of extending credit for the purpose of purchasing or carrying margin stock, or use the proceeds of any Loan for such purpose. Fail to meet the minimum funding requirements of ERISA, permit a Reportable Event or Prohibited Transaction, as defined in ERISA, to occur, fail to comply in all material respects with the Federal Fair Labor Standards Act or violate any law or regulation, which noncompliance or violation could reasonably be expected to have a Material Adverse Effect or a material adverse effect on the Collateral or the priority of Lender's Lien on the Collateral, or permit any of its subsidiaries to do any of the foregoing.

6.11 Other Deposit and Securities Accounts. Maintain any Deposit Accounts or accounts holding securities owned by Borrower except (i) Deposit Accounts and investment/securities accounts as set forth in the Supplement, and (ii) other Deposit Accounts and securities/investment accounts, in each case, with respect to which Borrower and Lender shall have taken such action as Lender reasonably deems necessary to obtain a perfected first priority security interest therein, subject to Permitted Liens. The provisions of the previous sentence shall not apply to (i) Deposit Accounts exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Borrower's employees and (ii) Deposit Accounts subject to Liens permitted by clause (p) of the definition of Permitted Liens; in each case of (i) and (ii), as identified to Lender as such (collectively, the "**Excluded Accounts**").

6.12 Prepayment of Indebtedness. Prepay, redeem or otherwise satisfy in any manner prior to the scheduled repayment thereof any Indebtedness (other than the Loans and Indebtedness permitted by Section 6.1 hereof). Notwithstanding the foregoing, Lender agrees that the conversion or exchange into Borrower's equity securities of any Indebtedness (other than the Loans) and the payment of cash in lieu of the issuance of fractional shares upon such conversion or exchange shall not be prohibited by this Section 6.12.

6.13 Repayment of Subordinated Debt. Repay, prepay, redeem or otherwise satisfy in any manner any Subordinated Debt, except in accordance with the terms of any subordination agreement among Borrower, Lender and the holder(s) of such Subordinated Debt. Notwithstanding the foregoing, Lender agrees that the conversion or exchange into Borrower's equity securities of any Subordinated Debt and the payment of cash in lieu of fractional shares shall not be prohibited by this Section 6.13.

6.14 Subsidiaries.

(a) Acquire or create any Subsidiary, unless such Subsidiary becomes, at Lender's option, either a co-borrower hereunder or executes and delivers to Lender one or more agreements, in form and substance reasonably satisfactory to Lender, containing a guaranty of the Obligations that is secured by first priority Liens on such Person's assets, subject to Permitted Liens. For clarity, the parties acknowledge and agree that Lender shall have the exclusive right to determine whether any such Person will be made a co-borrower hereunder or a guarantor of the Obligations. Prior to the acquisition or creation of any such Subsidiary, Borrower shall notify Lender thereof in writing, which notice shall contain the jurisdiction of such Person's formation and include a description of such Person's fully diluted capitalization and Borrower's purpose for its acquisition or creation of such Subsidiary.

(b) Sell, transfer, encumber or otherwise dispose of Borrower's ownership interest in any Subsidiary other than Permitted Liens.

(c) Cause or permit a Subsidiary to do any of the following: (i) grant Liens on such Subsidiary's assets, except for Liens that would constitute Permitted Liens if incurred by Borrower and Liens on any property held or acquired by such Subsidiary in the ordinary course of its business securing Indebtedness incurred or assumed for the purpose of financing all or any part of the cost of acquiring such property; provided, that such Lien attaches solely to the property acquired with such Indebtedness and that the principal amount of such Indebtedness does not exceed one hundred percent (100%) of the cost of such property; and (ii) issue any additional Shares, except to Borrower or a wholly owned Subsidiary of Borrower.

(d) Notwithstanding, and without limiting, any other provision of this Agreement or the Supplement to the contrary, Borrower shall not invest in or loan to, directly or indirectly, or cause or permit Rani Management to maintain, cash or other assets of a value in excess of $100,000 in the aggregate at any time during the term of this Agreement.

6.15 Leases. Create, incur, assume, or suffer to exist any obligation as lessee for the rental or hire of any personal property ("**Personal Property Leases**"), except for Personal Property Leases of Equipment in the ordinary course of business that do not in the aggregate require Borrower to make payments (including taxes, insurance, maintenance and similar expenses which Borrower is required to pay under the terms of any such lease) in any calendar year in excess of $250,000 in aggregate amount. For the avoidance of doubt, this Section 6.15 will not be applicable to Indebtedness otherwise permitted under Section 6.1(f) of this Agreement.

6.16 Anti-Corruption Laws.

(a) Take any action that would cause a violation of any anti-corruption law, including but not limited to, the Foreign Corrupt Practices Act, the United Kingdom Bribery Act, and all other applicable anti-corruption laws.

(b) Directly or indirectly, offer, pay, give, promise or authorize the payment of any money, gift, or anything of value to any person acting in an official capacity for any government department, agency, or instrumentality, including state-owned or controlled companies or entities, and public international organizations, as well as a political party or official thereof or candidates for political office, in violation of any applicable law.

ARTICLE 7 - EVENTS OF DEFAULT

7.1 Events of Default; Acceleration. Upon the occurrence and during the continuation of any Event of Default, the obligation of Lender to make any additional Loan shall be suspended. The occurrence and continuation of any of the following (each, an "**Event of Default**") shall at the option of Lender (1) make all sums of Basic Interest and principal, as well as any other Obligations and amounts owing under any Loan Documents, immediately due and payable without notice of default, presentment or demand for payment, protest or notice of nonpayment or dishonor or any other notices or demands, and (2) give Lender the right to exercise any other right or remedy provided by contract or applicable law:

(a) Borrower shall (i) fail to pay when due any principal or interest under this Agreement or any Note, or (ii) fail to pay any fees or other charges when due under any Loan Document (other than any Warrant), and such failure continues for three (3) Business Days or more after the same first becomes due; or an Event of Default as defined in any other Loan Document shall have occurred.

(b) Any representation or warranty made, or financial statement, certificate or other document provided, by Borrower under any Loan Document shall prove to have been false or misleading in any material respect when made or deemed made herein.

(c) If there occurs any circumstance or circumstances that could reasonably be expected to have a Material Adverse Effect.

(d) (i) Borrower shall fail to pay its debts generally as they become due; or (ii) Borrower shall commence any Insolvency Proceeding with respect to itself, an involuntary Insolvency Proceeding shall be filed against Borrower, or a custodian, receiver, trustee, assignee for the benefit of creditors, or other similar official, shall be appointed to take possession, custody or control of the properties of Borrower, and such involuntary Insolvency Proceeding, petition or appointment is acquiesced to by Borrower or is not dismissed within forty five (45) days; or (iii) the dissolution, winding up, or termination of the business or cessation of operations of Borrower (including any transaction or series of related transactions deemed to be a liquidation, dissolution or winding up of Borrower pursuant to the provisions of Borrower's charter documents); or (iv) Borrower shall take any corporate action for the purpose of effecting, approving, or consenting to any of the foregoing.

(e) Borrower shall be in default beyond any applicable period of grace or cure under any other agreement involving the borrowing of money, the purchase of property on credit, the advance of credit or any other similar monetary liability to Lender or to any Person that permits such Person to accelerate the payment of such obligations, whether or not exercised, in an amount in excess of the Threshold Amount.

(f) Any governmental or regulatory authority shall take any judicial or administrative action, or any defined benefit pension plan maintained by Borrower shall have any unfunded liabilities, any of which, in the reasonable judgment of Lender, could reasonably be expected to have a Material Adverse Effect.

(g) Except as otherwise permitted pursuant to Sections 6.4 or 6.5, any sale, transfer or other disposition of all or any material part of the assets of Borrower, including without limitation to any trust or similar entity, shall occur.

(h) Any judgment(s) singly or in the aggregate in excess of the Threshold Amount (not covered by independent third party insurance as to which liability has not been rejected by such insurance carrier) shall be entered against Borrower which remain unsatisfied, unvacated or unstayed pending appeal for twenty (20) or more days after entry thereof.

(i) Borrower shall fail to perform or observe any covenant contained in Article 6 of this Agreement.

(j) Borrower shall fail to perform or observe any covenant contained in Article 5 or elsewhere in this Agreement or any other Loan Document (other than a covenant which is dealt with specifically elsewhere in this Article 7 and other than any covenant under the Warrants) and, if capable of being cured, the breach of such covenant is not cured within 10 days after the sooner to occur of Borrower's receipt of notice of such breach from Lender or the date on which such breach first becomes known to any officer of Borrower (the

"**Notice Date**"); provided, however that if such breach is not capable of being cured within such 10-day period and Borrower timely notifies Lender of such fact and Borrower diligently pursues such cure, then the cure period shall be extended to the date requested in Borrower's notice but in no event more than 30 days from the Notice Date; provided, further, that such 30-day opportunity to cure shall not apply in the case of any failure to perform or observe any covenant which has been the subject of a prior failure within the preceding 180 days or which is a willful and knowing breach by Borrower.

7.2 Remedies upon Default. Upon the occurrence and during the continuance of an Event of Default, Lender shall be entitled to, at its option, exercise any or all of the rights and remedies available to a secured party under the UCC or any other applicable law, and exercise any or all of its rights and remedies provided for in this Agreement and in any other Loan Document. The obligations of Borrower under this Agreement shall continue to be effective or be reinstated, as the case may be, if at any time any payment of any Obligations is rescinded or must otherwise be returned by Lender upon, on account of, or in connection with, the insolvency, bankruptcy or reorganization of Borrower or otherwise, all as though such payment had not been made.

7.3 Sale of Collateral. Upon the occurrence and during the continuance of an Event of Default, Lender may sell all or any part of the Collateral, at public or private sales, to itself, a wholesaler, retailer or investor, for cash, upon credit or for future delivery, and at such price or prices as Lender may deem commercially reasonable. To the extent permitted by law, Borrower hereby specifically waives all rights of redemption and any rights of stay or appraisal which it has or may have under any applicable law in effect from time to time. Any such public or private sales shall be held at such times and at such place(s) as Lender may determine. In case of the sale of all or any part of the Collateral on credit or for future delivery, the Collateral so sold may be retained by Lender until the selling price is paid by the purchaser, but Lender shall not incur any liability in case of the failure of such purchaser to pay for the Collateral and, in case of any such failure, such Collateral may be resold. Lender may, instead of exercising its power of sale, proceed to enforce its security interest in the Collateral by seeking a judgment or decree of a court of competent jurisdiction. Without limiting the generality of the foregoing, if an Event of Default is in existence,

(1) Subject to the rights of any third parties, Lender may license, or sublicense, whether general, special or otherwise, and whether on an exclusive or non-exclusive basis, any Copyrights, Patents or Trademarks included in the Collateral throughout the world for such term or terms, on such conditions and in such manner as Lender shall in its sole discretion determine;

(2) Lender may (without assuming any obligations or liability thereunder), at any time and from time to time, enforce (and shall have the exclusive right to enforce) against any licensee or sublicensee all rights and remedies of Borrower in, to and under any Copyright Licenses, Patent Licenses or Trademark Licenses and take or refrain from taking any action under any thereof, and Borrower hereby releases Lender from, and agrees to hold Lender free and harmless from and against any claims arising out of, any lawful action so taken or omitted to be taken with respect thereto other than claims arising out of Lender's gross negligence or willful misconduct; and

(3) Upon request by Lender, Borrower will execute and deliver to Lender a power of attorney, in form and substance reasonably satisfactory to Lender for the implementation of any lease, assignment, license, sublicense, grant of option, sale or other disposition of a Copyright, Patent or Trademark. In the event of any such disposition pursuant to this clause 3, Borrower shall supply its know-how and expertise relating to the products or services made or rendered in connection with Patents, the manufacture and sale of the products bearing Trademarks, and its customer lists and other records relating to such Copyrights, Patents or Trademarks and to the distribution of said products, to Lender.

(4) If, at any time when Lender shall determine to exercise its right to sell the whole or any part of the Shares hereunder, such Shares or the part thereof to be sold shall not, for any reason whatsoever, be effectively registered under the Securities Act (or any similar statute), then Lender may, in its discretion (subject only to applicable requirements of law), sell such Shares or part thereof by private sale in such manner and under such circumstances as Lender may deem necessary or advisable, but subject to the other requirements of this Article 7, and shall not be required to effect such registration or to cause the same to be effected. Without limiting the generality of the foregoing, in any such event, Lender in its discretion may (i) in accordance with applicable securities laws proceed to make such private sale notwithstanding that a registration statement for the purpose of registering such Shares or part thereof could be or shall have been filed under the Securities Act (or similar statute), (ii) approach and negotiate with a single possible purchaser

to effect such sale, and (iii) restrict such sale to a purchaser who is an accredited investor under the Securities Act and who will represent and agree that such purchaser is purchasing for its own account, for investment and not with a view to the distribution or sale of such Shares or any part thereof. In addition to a private sale as provided above in this Article 7, if any of the Shares shall not be freely distributable to the public without registration under the Securities Act (or similar statute) at the time of any proposed sale pursuant to this Article 7, then Lender shall not be required to effect such registration or cause the same to be effected but, in its discretion (subject only to applicable requirements of law), may require that any sale hereunder (including a sale at auction) be conducted subject to restrictions:

(A) as to the financial sophistication and ability of any Person permitted to bid or purchase at any such sale;

(B) as to the content of legends to be placed upon any certificates representing the Shares sold in such sale, including restrictions on future transfer thereof;

(C) as to the representations required to be made by each Person bidding or purchasing at such sale relating to such Person's access to financial information about Borrower or any of its Subsidiaries and such Person's intentions as to the holding of the Shares so sold for investment for its own account and not with a view to the distribution thereof; and

(D) as to such other matters as Lender may, in its discretion, deem necessary or appropriate in order that such sale (notwithstanding any failure so to register) may be effected in compliance with the Bankruptcy Code and other laws affecting the enforcement of creditors' rights and the Securities Act and all applicable state securities laws.

(5) Borrower recognizes that Lender may be unable to effect a public sale of any or all the Shares and may be compelled to resort to one or more private sales thereof in accordance with clause (4) above. Borrower also acknowledges that any such private sale may result in prices and other terms less favorable to the seller than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall not be deemed to have been made in a commercially unreasonable manner solely by virtue of such sale being private. Lender shall be under no obligation to delay a sale of any of the Shares for the period of time necessary to permit the applicable Subsidiary to register such securities for public sale under the Securities Act, or under applicable state securities laws, even if Borrower and/or the Subsidiary would agree to do so.

7.4 Borrower's Obligations upon Default. Upon the request of Lender after the occurrence and during the continuance of an Event of Default, Borrower will:

(a) Assemble and make available to Lender the Collateral at such place(s) as Lender shall reasonably designate, segregating all Collateral so that each item is capable of identification; and

(b) Subject to the rights of any lessor, permit Lender, by Lender's officers, employees, agents and representatives, to enter any premises where any Collateral is located, to take possession of the Collateral, to complete the processing, manufacture or repair of any Collateral, and to remove the Collateral, or to conduct any public or private sale of the Collateral, all without any liability of Lender for rent or other compensation for the use of Borrower's premises.

ARTICLE 8 - SPECIAL COLLATERAL PROVISIONS

8.1 Compromise and Collection. Borrower and Lender recognize that setoffs, counterclaims, defenses and other claims may be asserted by obligors with respect to certain of the Rights to Payment; that certain of the Rights to Payment may be or become uncollectible in whole or in part; and that the expense and probability of success of litigating a disputed Right to Payment may exceed the amount that reasonably may be expected to be recovered with respect to such Right to Payment. Borrower hereby authorizes Lender, after and during the continuance of an Event of Default, to compromise with the obligor, accept in full payment of any Right to Payment such amount as Lender shall negotiate with the obligor, or abandon any Right to Payment. Any such action by Lender shall be considered commercially reasonable so long as Lender acts in good faith based on information known to it at the time it takes any such action.

8.2 Performance of Borrower's Obligations. Without having any obligation to do so, upon

reasonable prior notice to Borrower, Lender may perform or pay any obligation which Borrower has agreed to perform or pay under this Agreement (but has failed timely to perform or pay), including, without limitation, the payment or discharge of taxes or Liens levied or placed on or threatened against the Collateral. In so performing or paying, Lender shall determine the action to be taken and the amount necessary to discharge such obligations. Borrower shall reimburse Lender on demand for any amounts paid by Lender pursuant to this Section, which amounts shall constitute Obligations secured by the Collateral and shall bear interest from the date of demand at the Default Rate.

8.3 Power of Attorney. For the purpose of protecting and preserving the Collateral and Lender's rights under this Agreement, Borrower hereby irrevocably appoints Lender, with full power of substitution, as its attorney in fact with full power and authority, after the occurrence and during the continuance of an Event of Default, to do any act which Borrower is obligated to do hereunder; to exercise such rights with respect to the Collateral as Borrower might exercise; to use such Inventory, Equipment, Fixtures or other property as Borrower might use; to enter Borrower's premises; to give notice of Lender's security interest in, and to collect the Collateral; and before or after Default, to the extent that Borrower has failed to do so after Lender's request (unless an Event of Default has occurred), to execute and file in Borrower's name any financing statements, amendments and continuation statements, account control agreements or other Security Documents necessary or desirable to create, maintain, perfect or continue the perfection of Lender's security interests in the Collateral. Borrower hereby ratifies all that Lender shall lawfully do or cause to be done by virtue of this appointment.

8.4 Authorization for Lender to Take Certain Action. The power of attorney created in Section 8.3 is a power coupled with an interest and shall be irrevocable. The powers conferred on Lender hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon Lender to exercise such powers. Lender shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and in no event shall Lender or any of its directors, officers, employees, agents or representatives be responsible to Borrower for any act or failure to act, except for gross negligence or willful misconduct. After the occurrence and during the continuance of an Event of Default, Lender may exercise this power of attorney without notice to or assent of Borrower, in the name of Borrower, or in Lender's own name, from time to time in Lender's sole discretion and at Borrower's expense. To further carry out the terms of this Agreement, after the occurrence and during the continuance of an Event of Default, Lender may:

(a) Execute any statements or documents or take possession of, and endorse and collect and receive delivery or payment of, any checks, drafts, notes, acceptances or other instruments and documents constituting Collateral, or constituting the payment of amounts due and to become due or any performance to be rendered with respect to the Collateral.

(b) Sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts; drafts, certificates and statements under any commercial or standby letter of credit relating to Collateral; assignments, verifications and notices in connection with Accounts; or any other documents relating to the Collateral, including without limitation the Records.

(c) Use or operate Collateral or any other property of Borrower for the purpose of preserving or liquidating Collateral.

(d) File any claim or take any other action or proceeding in any court of law or equity or as otherwise deemed appropriate by Lender for the purpose of collecting any and all monies due or securing any performance to be rendered with respect to the Collateral.

(e) Commence, prosecute or defend any suits, actions or proceedings or as otherwise deemed appropriate by Lender for the purpose of protecting or collecting the Collateral. In furtherance of this right, upon the occurrence and during the continuance of an Event of Default, Lender may apply for the appointment of a receiver or similar official to operate Borrower's business.

(f) Prepare, adjust, execute, deliver and receive payment under insurance claims, and collect and receive payment of and endorse any instrument in payment of loss or returned premiums or any other insurance refund or return, and apply such amounts at Lender's sole discretion, toward repayment of the Obligations or replacement of the Collateral.

8.5 Application of Proceeds. Any Proceeds and other monies or property received by Lender pursuant to the terms of this Agreement or any Loan Document may be applied by Lender first to the payment of expenses of collection, including without limitation reasonable attorneys' fees, and then to the payment of the Obligations in such order of application as Lender may elect.

8.6 Deficiency. If the Proceeds of any disposition of the Collateral are insufficient to cover all costs and expenses of such sale and the payment in full of all the Obligations, plus all other sums required to be expended or distributed by Lender, then Borrower shall be liable for any such deficiency.

8.7 Lender Transfer. Upon the transfer of all or any part of the Obligations, Lender may transfer all or part of the Collateral and shall be fully discharged thereafter from all liability and responsibility with respect to such Collateral so transferred, and the transferee shall be vested with all the rights and powers of Lender hereunder with respect to such Collateral so transferred, but with respect to any Collateral not so transferred, Lender shall retain all rights and powers hereby given.

8.8 Lender's Duties.

(a) Lender shall use reasonable care in the custody and preservation of any Collateral in its possession. Without limitation on other conduct which may be considered the exercise of reasonable care, Lender shall be deemed to have exercised reasonable care in the custody and preservation of such Collateral if such Collateral is accorded treatment substantially equal to that which Lender accords its own property, it being understood that Lender shall not have any responsibility for ascertaining or taking action with respect to calls, conversions, exchanges, maturities, declining value, tenders or other matters relative to any Collateral, regardless of whether Lender has or is deemed to have knowledge of such matters; or taking any necessary steps to preserve any rights against any Person with respect to any Collateral. Under no circumstances shall Lender be responsible for any injury or loss to the Collateral, or any part thereof, arising from any cause beyond the reasonable control of Lender.

(b) Lender may at any time deliver the Collateral or any part thereof to Borrower and the receipt of Borrower shall be a complete and full acquittance for the Collateral so delivered, and Lender shall thereafter be discharged from any liability or responsibility therefor.

(c) Neither Lender, nor any of its directors, officers, employees, agents, attorneys or any other person affiliated with or representing Lender shall be liable for any claims, demands, losses or damages, of any kind whatsoever, made, claimed, incurred or suffered by Borrower or any other party through the ordinary negligence of Lender, or any of its directors, officers, employees, agents, attorneys or any other person affiliated with or representing Lender.

8.9 Termination of Security Interests and Loan Documents. Upon the payment in full of the Obligations (other than inchoate indemnity obligations) and satisfaction of all Borrower's obligations (other than inchoate indemnity obligations) under this Agreement and the other Loan Documents (other than any Warrant), and if Lender has no further obligations under its Commitment, the security interest granted hereby shall terminate, all rights to the Collateral shall revert to Borrower and this Agreement and the other Loan Documents shall terminate; provided that (i) those obligations, liabilities, covenants and terms that are expressly specified herein and in any other Loan Document as surviving that respective agreement's termination, including without limitation, Borrower's indemnity obligations set forth in this Agreement, shall continue to survive notwithstanding anything to the contrary set forth herein, and (ii) nothing set forth herein shall affect or be deemed to affect those obligations, liabilities, covenants and terms set forth in any warrant instrument issued to Lender's parent company or set forth in any other equity securities or convertible debt securities of Borrower acquired by Lender in connection with this Agreement. Upon any such termination, Lender shall return all Collateral in its possession or control to Borrower and, at Borrower's expense, execute and deliver to Borrower such documents as Borrower shall reasonably request to evidence such termination. In connection therewith, upon Lender's request, Borrower agrees to provide Lender with such information as may be reasonably requested by Lender as to whether the securities issuable upon the exercise of any Warrant issued in connection with this Agreement constitute "qualified small business stock" for purposes of Section 1202(c) of the Internal Revenue Code and Section 18152.5 of the California Revenue and Taxation Code.

ARTICLE 9 - GENERAL PROVISIONS

9.1 Notices. Any notice given by any party under any Loan Document shall be in writing and personally delivered, sent by overnight courier, or United States mail, postage prepaid, or sent by facsimile, or other authenticated message, charges prepaid, to the other party's or parties' addresses shown on the Supplement. Each party may change the address or facsimile number to which notices, requests and other communications are to be sent by giving written notice of such change to each other party. Notice given by hand delivery shall be deemed received on the date

delivered; if sent by overnight courier, on the next Business Day after delivery to the courier service; if by first class mail, on the third Business Day after deposit in the U.S. Mail; and if by facsimile, on the date of transmission.

9.2 Binding Effect. The Loan Documents shall be binding upon and inure to the benefit of Borrower and Lender and their respective successors and assigns; provided, however, that Borrower may not assign or transfer Borrower's rights or obligations under any Loan Document. Lender reserves the right to sell, assign, transfer, negotiate or grant participations in all or any part of, or any interest in, Lender's rights and obligations under the Loan Documents provided that, so long as no Event of Default has occurred and is continuing, Lender shall not assign any of such rights or obligations to any competitor of Borrower. In connection with any of the foregoing, Lender may disclose all documents and information which Lender now or hereafter may have relating to the Loans, Borrower, or its business, provided that any Person who receives such information shall have agreed in writing in advance to maintain the confidentiality of such information on terms no less favorable to Borrower than are set forth in Section 9.13 hereof.

9.3 No Waiver. Any waiver, consent or approval by Lender of any Event of Default or breach of any provision, condition, or covenant of any Loan Document must be in writing and shall be effective only to the extent set forth in writing. No waiver of any breach or default shall be deemed a waiver of any later breach or default of the same or any other provision of any Loan Document. No failure or delay on the part of Lender in exercising any power, right, or privilege under any Loan Document shall operate as a waiver thereof, and no single or partial exercise of any such power, right, or privilege shall preclude any further exercise thereof or the exercise of any other power, right or privilege. Lender has the right at its sole option to continue to accept interest and/or principal payments due under the Loan Documents after default, and such acceptance shall not constitute a waiver of said default or an extension of the maturity of any Loan unless Lender agrees otherwise in writing.

9.4 Rights Cumulative. All rights and remedies existing under the Loan Documents are cumulative to, and not exclusive of, any other rights or remedies available under contract or applicable law.

9.5 Unenforceable Provisions. Any provision of any Loan Document executed by Borrower which is prohibited or unenforceable in any jurisdiction, shall be so only as to such jurisdiction and only to the extent of such prohibition or unenforceability, but all the remaining provisions of any such Loan Document shall remain valid and enforceable.

9.6 Accounting Terms. Except as otherwise provided in this Agreement, accounting terms and financial covenants and information shall be determined and prepared in accordance with GAAP (except for (i) non-compliance with FAS 123R in monthly reporting and (ii) with respect to unaudited financial statements for the absence of footnotes and subject to year-end audit adjustments, provided that if at any time any change in GAAP would affect the computation of any covenant requirement set forth in any of the Loan Documents, and either Borrower or Lender shall so request, Borrower and Lender shall negotiate in good faith to amend such ratio or covenant requirement to preserve the original intent thereof in light of such change in GAAP; provided, further, that, until so amended, such covenant requirement shall continue to be computed in accordance with GAAP prior to such change therein.) Notwithstanding the foregoing, any obligations of a Person that are or would have been treated as operating leases for purposes of GAAP prior to the issuance by the Financial Accounting Standards Board on February 25, 2016 of an Accounting Standards Update (the "ASU") shall continue to be accounted for as operating leases for purposes of all financial definitions, calculations and covenants for purpose of this Agreement (other than for purposes of the delivery of financial statements prepared in accordance with GAAP) whether or not such operating lease obligations were in effect on such date, notwithstanding the fact that such obligations are required in accordance with the ASU (on a prospective or retroactive basis or otherwise) to be treated as capitalized lease obligations in accordance with GAAP.

9.7 Indemnification; Exculpation. Borrower shall pay and protect, defend and indemnify Lender and Lender's employees, officers, directors, shareholders, affiliates, correspondents, agents and representatives (other than Lender, collectively "Agents") against, and hold Lender and each such Agent harmless from, all claims, actions, proceedings, liabilities, damages, losses, expenses (including, without limitation, attorneys' fees and costs) and other amounts incurred by Lender and each such Agent, arising from (i) the matters contemplated by this Agreement or any other Loan Documents, (ii) any dispute between Borrower and a third party, or (iii) any contention that Borrower has failed to comply with any law, rule, regulation, order or directive applicable to Borrower's business; provided, however, that this indemnification shall not apply to any of the foregoing to the extent incurred as the result of Lender's or any Agent's gross negligence or willful misconduct. This indemnification shall survive the payment and satisfaction of all of Borrower's Obligations to Lender.

9.8 Reimbursement. Borrower shall reimburse Lender for all costs and expenses, including without limitation reasonable attorneys' fees and disbursements expended or incurred by Lender in any arbitration, mediation, judicial reference, legal action or otherwise in connection with (a) the preparation and negotiation of the Loan Documents, (b) the amendment and enforcement of the Loan Documents, including without limitation during any workout, attempted workout, and/or in connection with the rendering of legal advice as to Lender's rights, remedies and obligations under the Loan Documents, (c) collecting any sum which becomes due Lender under any Loan Document, (d) any proceeding for declaratory relief, any counterclaim to any proceeding, or any appeal, or (e) the protection, preservation or enforcement of any rights of Lender. For the purposes of this section, attorneys' fees shall include, without limitation, fees incurred in connection with the following: (1) contempt proceedings; (2) discovery; (3) any motion, proceeding or other activity of any kind in connection with an Insolvency Proceeding; (4) garnishment, levy, and debtor and third party examinations; and (5) postjudgment motions and proceedings of any kind, including without limitation any activity taken to collect or enforce any judgment. All of the foregoing costs and expenses shall be payable upon demand by Lender, and if not paid within forty-five (45) days of presentation of invoices shall bear interest at the Default Rate.

9.9 Execution in Counterparts; Electronic Signatures. This Agreement and the other Loan Documents may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement. This Agreement and each of the other Loan Documents may be executed by electronic signatures. Borrower and Lender expressly agree to conduct the transactions contemplated by this Agreement and the other Loan Documents by electronic means (including, without limitation, with respect to the execution, delivery, storage and transfer of this Agreement and each of the other Loan Documents by electronic means and to the enforceability of electronic Loan Documents). Delivery of an executed signature page to this Agreement and each of the other Loan Documents by facsimile or other electronic mail transmission (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) shall be effective as delivery of a manually executed counterpart hereof and thereof, as applicable. The words "execution," "signed," "signature" and words of like import herein shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based recordkeeping systems, as the case may be, to the extent and as provided for in any applicable law, including, without limitation, any state law based on the Uniform Electronic Transactions Act.

9.10 Entire Agreement. The Loan Documentsare intended by the parties as the final expression of their agreement and therefore contain the entire agreement between the parties and supersede all prior understandings or agreements concerning the subject matter hereof. This Agreement may be amended only in a writing signed by Borrower and Lender.

9.11 Governing Law and Jurisdiction.

(a) THIS AGREEMENT AND THE LOAN DOCUMENTS SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF CALIFORNIA.

(b) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF CALIFORNIA OR OF THE UNITED STATES FOR THE NORTHERN DISTRICT OF CALIFORNIA, AND BY EXECUTION AND DELIVERY OF THIS AGREEMENT, EACH OF BORROWER AND LENDER CONSENTS, FOR ITSELF AND IN RESPECT OF ITS PROPERTY, TO THE NON-EXCLUSIVE JURISDICTION OF THOSE COURTS. EACH OF BORROWER AND LENDER IRREVOCABLY WAIVES ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH JURISDICTION IN RESPECT OF THIS AGREEMENT OR ANY DOCUMENT RELATED HERETO. BORROWER AND LENDER EACH WAIVE PERSONAL SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER PROCESS, WHICH MAY BE MADE BY ANY OTHER MEANS PERMITTED BY CALIFORNIA LAW.

9.12 Waiver of Jury Trial. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW,

BORROWER AND LENDER EACH WAIVES ITS RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS AGREEMENT, THE OTHER LOAN DOCUMENTS, OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY, IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY OF THE PARTIES AGAINST ANY OTHER PARTY OR ANY PARTICIPANT OR ASSIGNEE, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS, OR OTHERWISE. BORROWER AND LENDER EACH AGREES THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT A JURY. WITHOUT LIMITING THE FOREGOING, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING WHICH SEEMS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS OR ANY PROVISION HEREOF OR THEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS.

9.13 Confidentiality. Lender agrees to hold in confidence all confidential information that it receives from Borrower pursuant to the Loan Documents, except for disclosure as shall be reasonably required and, in each case, subject to the same confidentiality obligations set forth herein: (a) to legal counsel and accountants for Lender; (b) to other professional advisors to Lender (to the extent that such professional advisors are subject to the same obligations of confidentiality as set forth herein); (c) to regulatory officials having jurisdiction over Lender to the extent required by law; (d) to Lender's investors and prospective investors (to the extent that such investors or prospective investors are subject to the same confidentiality obligation set forth herein), and in Lender's SEC filings as required by law, but only to the extent such disclosure is required under applicable law; (e) as required by law or legal process or in connection with any legal proceeding to which Lender and Borrower are adverse parties; (f) in connection with a disposition or proposed disposition of any or all of Lender's rights hereunder to any assignee or participant (to the extent that any transferee or proposed transferee is subject to the same confidentiality obligation set forth herein); (g) to Lender's subsidiaries or Affiliates in connection with their business with Borrower (subject to the same confidentiality obligation set forth herein); (h) as required by valid order of a court of competent jurisdiction, administrative agency or governmental body, or by any applicable law, rule, regulation, subpoena, or any other administrative or legal process, or by applicable regulatory or professional standards, including in connection with any judicial or other proceeding involving Lender relating to this Agreement and the transactions contemplated hereby; and (i) as required in connection with Lender's examination or audit. For purposes of this section, Lender and Borrower agree that "confidential information" shall mean any information regarding or relating to Borrower other than: (i) information which is or becomes generally available to the public other than as result of a disclosure by Lender in violation of this section, (ii) information which becomes available to Lender from any other source (other than Borrower) which Lender does not know is bound by a confidentiality agreement with respect to the information made available, and (iii) information that Lender knows on a non-confidential basis prior to Borrower disclosing it to Lender. In addition, Borrower agrees that Lender may use Borrower's name, logo and/or trademark in connection with certain promotional materials that Lender may disseminate to the public, including, but are not limited to, brochures, internet website, press releases and any other materials relating to the fact that Lender has a financing relationship with Borrower.

ARTICLE 10 - - DEFINITIONS

The definitions appearing in this Agreement or any Supplement shall be applicable to both the singular and plural forms of the defined terms:

"**Account**" means any "account," as such term is defined in the UCC, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest and, in any event, shall include, without limitation, all accounts receivable, book debts and other forms of obligations (other than forms of obligations evidenced by Chattel Paper, Documents or Instruments) now owned or hereafter received or acquired by or belonging or owing to Borrower (including, without limitation, under any trade name, style or division thereof) whether arising out of goods sold or services rendered by Borrower or from any other transaction, whether or not the same involves the sale of goods or services by Borrower (including, without limitation, any such obligation that may be characterized as an account or contract right under the UCC) and all of Borrower's rights in, to and under all purchase orders or receipts now owned or

hereafter acquired by it for goods or services, and all of Borrower's rights to any goods represented by any of the foregoing (including, without limitation, unpaid seller's rights of rescission, replevin, reclamation and stoppage in transit and rights to returned, reclaimed or repossessed goods), and all monies due or to become due to Borrower under all purchase orders and contracts for the sale of goods or the performance of services or both by Borrower or in connection with any other transaction (whether or not yet earned by performance on the part of Borrower), now in existence or hereafter occurring, including, without limitation, the right to receive the proceeds of said purchase orders and contracts, and all collateral security and guarantees of any kind given by any Person with respect to any of the foregoing.

"**Affiliate**" means any Person which directly or indirectly controls, is controlled by, or is under common control with Borrower. "Control," "controlled by" and "under common control with" mean direct or indirect possession of the power to direct or cause the direction of management or policies (whether through ownership of voting securities, by contract or otherwise); provided, that control shall be conclusively presumed when any Person or affiliated group directly or indirectly owns ten percent (10%) or more of the securities having ordinary voting power for the election of directors of a corporation.

"**Agreement**" means this Loan and Security Agreement and each Supplement thereto, as each may be amended or supplemented from time to time.

"**Bankruptcy Code**" means the Federal Bankruptcy Reform Act of 1978 (11 U.S.C. §101, et seq.), as amended.

"**Basic Interest**" means the rate of interest payable on the outstanding balance of each Loan at the applicable Designated Rate.

"**Borrowing Date**" means the Business Day on which the proceeds of a Loan are disbursed by Lender.

"**Borrowing Request**" means a written request from Borrower in substantially the form of Exhibit "B" to the Supplement, requesting the funding of one or more Loans on a particular Borrowing Date.

"**Business Day**" means any day other than a Saturday, Sunday or other day on which commercial banks in New York City or San Francisco are authorized or required by law to close.

"**Change of Control**" means: (a) any sale, license, or other disposition of all or substantially all of the assets of Borrower; (b) any consolidation, merger or other combination involving Borrower; or (c) any transaction or series of related transactions in which any Person or two or more Persons acting in concert (in each case, other than InCube Labs, LLC and its affiliates) shall have acquired by contract or otherwise, the power to control the management of Borrower, or to control the equity interests of Borrower entitled to vote for members of the Board of Managers or equivalent governing body of Borrower on a fully-diluted basis (and taking into account all such securities that such Person or Persons have the right to acquire pursuant to any option right) representing 50% or more of the combined voting power of such securities (other than in connection with a Qualified Public Offering or a sale to recognized venture capital investors in a transaction or series of transactions effected by Borrower for financing purposes, so long as Borrower identifies to Lender the venture capital investors prior to the closing of the transaction and provides Lender with a description of the material terms of such transaction).

"**Chattel Paper**" means any "chattel paper," as such term is defined in the UCC, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest.

"**Closing Date**" means the date of this Agreement.

"**Collateral**" means (I) prior to a Qualified Public Offering, the assets described on Annex I attached hereto; and (II) from and after a Qualified Public Offering, the assets described on Annex II attached hereto.

"**Commitment**" means the obligation of Lender to make Loans to Borrower up to the aggregate principal amount set forth in the Supplement.

"**Copyright License**" means any written agreement granting any right to use any Copyright or Copyright registration now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest.

"**Copyrights**" means all of the following now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest: (i) all copyrights, whether registered or unregistered, held pursuant to the laws of the United States, any State thereof or of any other country; (ii) all registrations, applications and recordings in the United States Copyright Office or in any similar office or agency of the United States, any State thereof or any other country; (iii) all continuations, renewals or extensions thereof; and (iv) any registrations to be issued under any pending applications.

"**Default**" means an event which with the giving of notice, passage of time, or both would constitute an Event of Default.

"**Default Rate**" means the applicable Designated Rate plus five percent (5%) per annum.

"**Deposit Accounts**" means any "**deposit accounts,**" as such term is defined in the UCC, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest.

"**Designated Rate**" means the rate of interest per annum described in the Supplement as being applicable to an outstanding Loan from time to time.

"**Documents**" means any "**documents,**" as such term is defined in the UCC, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest.

"**Dollars**" or "**$**" means lawful currency of the United States.

"**Environmental Laws**" means all federal, state or local laws, statutes, common law duties, rules, regulations, ordinances and codes, together with all administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any governmental authorities, in each case relating to environmental, health, or safety matters.

"**Equipment**" means any "**equipment,**" as such term is defined in the UCC, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest and any and all additions, substitutions and replacements of any of the foregoing, wherever located, together with all attachments, components, parts, equipment and accessories installed thereon or affixed thereto.

"**Event of Default**" means any event described in Section 7.1.

"**Fixtures**" means any "**fixtures,**" as such term is defined in the UCC, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest.

"**GAAP**" means generally accepted accounting principles and practices consistent with those principles and practices promulgated or adopted by the Financial Accounting Standards Board and the Board of the American Institute of Certified Public Accountants, their respective predecessors and successors. Subject to Section 9.6, each accounting term used but not otherwise expressly defined herein shall have the meaning given it by GAAP.

"**General Intangibles**" means any "general intangibles," as such term is defined in the UCC, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest and, in any event, shall include, without limitation, all right, title and interest that Borrower may now or hereafter have in or under any contract, all customer lists, Copyrights, Trademarks, Patents, websites, domain names, and all applications therefor and reissues, extensions, or renewals thereof, other items of, and rights to, Intellectual Property, interests in partnerships, joint ventures and other business associations, Licenses, permits, trade secrets, proprietary or confidential information, inventions (whether or not patented or patentable), technical information, procedures, designs, knowledge, know-how, software, data bases, data, skill, expertise, recipes, experience, processes, models, drawings, materials and records, goodwill (including, without limitation, the goodwill associated with any Trademark, Trademark registration or Trademark licensed under any Trademark License), claims in or under insurance policies, including unearned premiums, uncertificated securities, money, cash or cash equivalents, deposit, checking and other bank accounts, rights to sue for past, present and future infringement of Copyrights, Trademarks and Patents, rights to receive tax refunds and other payments and rights of indemnification.

"**Goods**" means any "goods," as such term is defined in the UCC, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest.

"**Indebtedness**" of any Person means at any date, without duplication and without regard to whether matured or unmatured, absolute or contingent: (i) all obligations of such Person for borrowed money; (ii) all obligations of such Person evidenced by bonds, debentures, notes, or other similar instruments; (iii) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising in the ordinary course of business; (iv) all obligations of such Person as lessee under capital leases; (v) all obligations of such Person to reimburse or prepay any bank or other Person in respect of amounts paid under a letter of credit, banker's acceptance, or similar instrument, whether drawn or undrawn; (vi) all obligations of such Person to purchase securities which

arise out of or in connection with the sale of the same or substantially similar securities; (vii) all obligations of such Person to purchase, redeem, exchange, convert or otherwise acquire for value any capital stock of such Person or any warrants, rights or options to acquire such capital stock, now or hereafter outstanding, except to the extent that such obligations remain performable solely at the option of such Person; (viii) all obligations to repurchase assets previously sold (including any obligation to repurchase any accounts or chattel paper under any factoring, receivables purchase, or similar arrangement); (ix) obligations of such Person under interest rate swap, cap, collar or similar hedging arrangements; and (x) all obligations of others of any type described in clause (i) through clause (ix) above guaranteed by such Person.

"**Insolvency Proceeding**" means with respect to a Person (a) any case, action or proceeding before any court or other governmental authority relating to bankruptcy, reorganization, insolvency, liquidation, receivership, dissolution, winding-up or relief of debtors with respect to such Person, or (b) any general assignment for the benefit of creditors, composition, marshalling of assets for creditors, or other, similar arrangement in respect of such Person's creditors generally or any substantial portion of its creditors, undertaken under U.S. Federal, state or foreign law, including the Bankruptcy Code, but in each case, excluding any avoidance or similar action against such Person commenced by an assignee for the benefit of creditors, bankruptcy trustee, debtor in possession, or other representative of another Person or such other Person's estate.

"**Instruments**" means any "instrument," as such term is defined in the UCC, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest.

"**Intellectual Property**" means all of Borrower's Copyrights, Trademarks, Patents, Licenses, trade secrets, source codes, customer lists, proprietary or confidential information, inventions (whether or not patented or patentable), technical information, procedures, designs, knowledge, know-how, software, data bases, skill, expertise, experience, processes, models, drawings, materials, records and goodwill associated with the foregoing.

"**Intellectual Property Security Agreement**" means any Intellectual Property Security Agreement executed and delivered by Borrower in favor of Lender, as the same may be amended, supplemented, or restated from time to time.

"**Inventory**" means any "inventory," as such term is defined in the UCC, wherever located, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest, and, in any event, shall include, without limitation, all inventory, goods and other personal property that are held by or on behalf of Borrower for sale or lease or are furnished or are to be furnished under a contract of service or that constitute raw materials, work in process or materials used or consumed or to be used or consumed in Borrower's business, or the processing, packaging, promotion, delivery or shipping of the same, and all finished goods, whether or not the same is in transit or in the constructive, actual or exclusive possession of Borrower or is held by others for Borrower's account, including, without limitation, all goods covered by purchase orders and contracts with suppliers and all goods billed and held by suppliers and all such property that may be in the possession or custody of any carriers, forwarding agents, truckers, warehousemen, vendors, selling agents or other Persons.

"**Investment Property**" means any "investment property," as such term is defined in the UCC, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest.

"**Letter of Credit Rights**" means any "letter of credit rights," as such term is defined in the UCC, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest, including any right to payment under any letter of credit.

"**License**" means any Copyright License, Patent License, Trademark License or other license of rights or interests now held or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest and any renewals or extensions thereof.

"**Lien**" means any mortgage, deed of trust, pledge, hypothecation, assignment for security, security interest, encumbrance, levy, lien or charge of any kind, whether voluntarily incurred or arising by operation of law or otherwise, against any property, any conditional sale or other title retention agreement, any lease in the nature of a security interest, and the filing of any financing statement (other than a precautionary financing statement with respect to a lease that is not in the nature of a security interest) under the UCC or comparable law of any jurisdiction.

"**Loan**" means an extension of credit by Lender under this Agreement.

"**Loan Documents**" means, individually and collectively, this Loan and Security Agreement, each Supplement, each Note, the Intellectual Property Security Agreement, and any other security or pledge agreement(s), any Warrant issued by Borrower in connection with this Agreement, and all other contracts, instruments, addenda and documents executed in connection with this Agreement or the extensions of credit which are the subject of this Agreement.

"**Material Adverse Effect**" or "**Material Adverse Change**" means (a) a material adverse change in, or a material adverse effect upon, the operations, business, properties, or financial condition of Borrower; (b) a material impairment of the ability of Borrower to perform under any Loan Document; or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against Borrower of any Loan Document.

"**Note**" means a promissory note substantially in the form attached to the Supplement as Exhibit "A", executed by Borrower evidencing each Loan.

"**Obligations**" means all debts, obligations and liabilities of Borrower to Lender now or hereafter made, incurred or created under, pursuant to or in connection with this Agreement or any other Loan Document (other than the Warrant), whether voluntary or involuntary and however arising or evidenced, whether direct or acquired by Lender by assignment or succession, whether due or not due, absolute or contingent, liquidated or unliquidated, determined or undetermined, and whether Borrower may be liable individually or jointly, or whether recovery upon such debt may be or become barred by any statute of limitations or otherwise unenforceable; and all renewals, extensions and modifications thereof; and all attorneys' fees and costs incurred by Lender in connection with the collection and enforcement thereof as provided for in any such Loan Document. Notwithstanding the foregoing, Borrower's obligations under any warrants (including the Warrants) issued to Lender or its designated affiliate shall not be "Obligations" hereunder.

"**Patent License**" means any written agreement granting any right with respect to any invention on which a Patent is in existence now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest.

"**Patents**" means all of the following property now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest: (a) all letters patent of, or rights corresponding thereto in, the United States or any other country, all registrations and recordings thereof, and all applications for letters patent of, or rights corresponding thereto in, the United States or any other country, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country; (b) all reissues, continuations, continuations-in-part or extensions thereof; (c) all petty patents, divisionals, and patents of addition; and (d) all patents to be issued under any such applications.

"**Permitted Lien**" means:

(a) involuntary Liens which, in the aggregate, would not have a Material Adverse Effect and which in any event would not exceed, in the aggregate, the Threshold Amount;

(b) Liens for current taxes or other governmental or regulatory assessments which are not delinquent, or which are contested in good faith by the appropriate procedures and for which appropriate reserves are maintained;

(c) security interests on any property held or acquired by Borrower in the ordinary course of business securing Indebtedness incurred or assumed for the purpose of financing all or any part of the cost of acquiring such property; provided, that such Lien attaches solely to the property acquired with such Indebtedness and that the principal amount of such Indebtedness does not exceed one hundred percent (100%) of the cost of such property;

(d) Liens in favor of Lender;

(e) bankers' liens, rights of setoff and similar Liens incurred on deposits made in the ordinary course of business as long as an account control agreement (or equivalent) for each account in which such deposits are held in a form reasonably acceptable to Lender has been executed and delivered to Lender to the extent required under Section 6.11;

(f) materialmen's, mechanics', repairmen's, warehousemen's, carriers', landlord's (subject to Section 5.9(e) hereof), employees' or other like Liens arising in the ordinary course of business and which are not delinquent for more than 45 days or are being contested in good faith by appropriate proceedings;

(g) Liens arising from any judgment, attachment or similar order that does not constitute an Event of Default under Section 7.1(g);

(h) licenses or sublicenses of Intellectual Property in accordance with the terms of Section 6.5 hereof;

(i) Liens securing Subordinated Debt;

(j) Liens which have been approved by Lender in writing prior to the Closing Date, as shown on Schedule 6.2 hereto, including any liens incurred in connection with the extension, renewal, or refinancing of any Indebtedness secured by Liens referenced on Schedule 6.2 hereto;

(k) the interests of licensors under inbound licenses to Borrower;

(l) the interests of sub-lessees under subleases of real property;

(m) Liens to secure payment of workers' compensation, employment insurance, old-age pensions, social security and other like obligations incurred in the ordinary course of business (other than Liens imposed by ERISA);

(n) deposits to secure the performance of bids, trade contracts (other than for Indebtedness), leases (other than capital lease obligations), statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature arising as a matter of law and incurred in the ordinary course of business;

(o) zoning restrictions, easements, rights of way, restrictions on use of real property and other similar encumbrances incurred in the ordinary course of business which, in the aggregate, are not substantial in amount and do not materially detract from the value of the property subject thereto or interfere with the ordinary conduct of the business of the Borrower or any of its Subsidiaries; and

(p) Liens on cash and cash equivalents securing reimbursement obligations for letters of credit not exceeding $250,000 at any time.

"**Person**" means any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, limited liability company, institution, public benefit corporation, other entity or government (whether federal, state, county, city, municipal, local, foreign, or otherwise, including any instrumentality, division, agency, body or department thereof).

"**Proceeds**" means "proceeds," as such term is defined in the UCC and, in any event, shall include, without limitation, (a) any and all Accounts, Chattel Paper, Instruments, cash or other forms of money or currency or other proceeds payable to Borrower from time to time in respect of the Collateral, (b) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to Borrower from time to time with respect to any of the Collateral, (c) any and all payments (in any form whatsoever) made or due and payable to Borrower from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental authority (or any Person acting under color of governmental authority), (d) any claim of Borrower against third parties (i) for past, present or future infringement of any Copyright, Patent or Patent License or (ii) for past, present or future infringement or dilution of any Trademark or Trademark License or for injury to the goodwill associated with any Trademark, Trademark registration or Trademark licensed under any Trademark License and (e) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

"**Qualified Public Offering**" means the closing of a firmly underwritten public offering of Borrower's common stock with aggregate proceeds of not less than $75,000,000 (prior to underwriting expenses and commissions).

"**Rani Management**" means Rani Management Services, Inc., a Delaware corporation and wholly-owned Subsidiary of Borrower.

"**Receivables**" means all of Borrower's Accounts, Instruments, Documents, Chattel Paper, Supporting Obligations, and letters of credit and Letter of Credit Rights.

"**Records**" means all Borrower's computer programs, software, hardware, source codes and data processing information, all written documents, books, invoices, ledger sheets, financial information and statements, and all other writings concerning Borrower's business.

"**Related Person**" means any Affiliate of Borrower, or any officer, employee, manager or equity security holder of Borrower or any Affiliate.

"**Rights to Payment**" means all Borrower's accounts, instruments, contract rights, documents, chattel paper and all other rights to payment, including, without limitation, the Accounts, all negotiable certificates of deposit and all rights to payment under any Patent License, any Trademark License, or any commercial or standby letter of credit.

"**Security Documents**" means this Loan and Security Agreement, the Supplement hereto, the Intellectual Property Security Agreement, and any and all account control agreements, collateral assignments, chattel mortgages, financing statements, amendments to any of the foregoing and other documents from time to time executed or filed to create, perfect or maintain the perfection of Lender's Liens on the Collateral.

"**Shares**" means: (a) one hundred percent (100%) of the issued and outstanding capital stock, membership units or other securities owned or held of record by Borrower in any Subsidiary that is not a controlled foreign corporation (as defined in the Internal Revenue Code), and (b) 65% of the issued and outstanding capital stock, membership units or other securities entitled to vote owned or held of record by Borrower in any Subsidiary that is a controlled foreign corporation (as defined in the Internal Revenue Code).

"**Subordinated Debt**" means Indebtedness (i) approved by Lender; and (ii) where the holder's right to payment of such Indebtedness, the priority of any Lien securing the same, and the rights of the holder thereof to enforce remedies against Borrower following default have been made subordinate to the Liens of Lender and to the prior payment to Lender of the Obligations, either (A) pursuant to a written subordination agreement approved by Lender in its sole but reasonable discretion or (B) on terms otherwise approved by Lender in its sole but reasonable discretion.

"**Subsidiary**" means any Person a majority of the equity ownership or voting stock of which is directly or indirectly now owned or hereafter acquired by Borrower or by one or more other Subsidiaries.

"**Supplement**" means that certain supplement to the Loan and Security Agreement, as the same may be amended or restated from time to time, and any other supplements entered into between Borrower and Lender, as the same may be amended or restated from time to time.

"**Supporting Obligations**" means any "supporting obligations," as such term is defined in the UCC, now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest.

"**Termination Date**" has the meaning specified in the Supplement.

"**Threshold Amount**" has the meaning specified in the Supplement.

"**Trademark License**" means any written agreement granting any right to use any Trademark or Trademark registration now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest.

"**Trademarks**" means all of the following property now owned or hereafter acquired by Borrower or in which Borrower now holds or hereafter acquires any interest: (a) all trademarks, tradenames, corporate names, business names, trade styles, service marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and any applications in connection therewith, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof and (b) reissues, extensions or renewals thereof.

"**UCC**" means the Uniform Commercial Code as the same may, from time to time, be in effect in the State of California; provided, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of, or remedies with respect to, Lender's Lien on any Collateral is governed by the Uniform Commercial Code as enacted and in effect in a jurisdiction other than the State of California, the term "**UCC**" shall mean the Uniform Commercial Code as enacted and in effect in such other jurisdiction solely for purposes of the provisions thereof relating to such attachment, perfection, priority or remedies and for purposes of definitions related to such provisions. Unless otherwise defined herein, terms that are defined in the UCC and used herein shall have the meanings given to them in the UCC.

"**Warrant**" has the meaning specified in the Supplement.

[Signature page follows]

[Signature page to Loan and Security Agreement]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

BORROWER:

RANI THERAPEUTICS, LLC

By: */s/ Svai Sanford*
Name: Svai Sanford
Title: Chief Financial Officer

LENDER:

AVENUE VENTURE OPPORTUNITIES FUND, L.P.

By: Avenue Venture Opportunities Partners, LLC
Its: General Partner

By: */s/ Sonia Gardner*
Name: Sonia Gardner
Title: Authorized Signatory

Annex I to
Loan and Security Agreement
dated as of September 15, 2020
between
Rani Therapeutics, LLC
and
Avenue Venture Opportunities Fund, L.P.

Description of Collateral

The Collateral consists of all of Borrower's right, title and interest in and to the following property, whether now owned or hereafter acquired and wherever located: (a) all Receivables; (b) all Equipment; (c) all Fixtures; (d) all General Intangibles (including all Intellectual Property); (e) all Inventory; (f) all Investment Property; (g) all Deposit Accounts; (h) all Shares; (i) all other Goods and personal property of Borrower, whether tangible or intangible and whether now or hereafter owned or existing, leased, consigned by or to, or acquired by, Borrower and wherever located; (j) all Records; and (k) all Proceeds of each of the foregoing and all accessions to, substitutions and replacements for, and rents, profits and products of each of the foregoing.

Notwithstanding the foregoing the term "Collateral" shall not include: (i) more than sixty-five percent (65%) of the issued and outstanding capital stock, membership units or other securities entitled to vote owned or held of record by Borrower in any Subsidiary that is a controlled foreign corporation (as defined in the Internal Revenue Code), provided that the Collateral shall include one hundred percent (100%) of the issued and outstanding non-voting capital stock of such Subsidiary; (ii) "intent-to-use" trademarks at all times prior to the first use thereof, whether by the actual use thereof in commerce, the recording of a statement of use with the United States Patent and Trademark Office or otherwise, but only to the extent the granting of a security interest in such "intent to use" trademarks would be contrary to applicable law; (iii) any property (including any accessions, additions, replacements or substitutions) subject to a Lien that constitutes a Permitted Lien under clause (c) of the definition of Permitted Liens if Borrower is prohibited from granting a security interest in such property provided, that immediately upon the lapse or termination of any such provision, the term "Collateral" shall include, and Borrower shall be deemed to have granted a security interest in, all its rights, title and interests in and to such property; (iv) any contract, Instrument or Chattel Paper in which Borrower has any right, title or interest if and to the extent such contract, Instrument or Chattel Paper includes a provision containing a restriction on assignment such that the creation of a security interest in the right, title or interest of Borrower therein would be prohibited and would, in and of itself, cause or result in a default thereunder enabling another person party to such contract, Instrument or Chattel Paper to enforce any remedy with respect thereto; or (v) the Excluded Accounts; provided, however, that the foregoing exclusions in clauses (iii) and (iv) shall not apply if (A) such prohibition has been waived or such other person has otherwise consented to the creation hereunder of a security interest in such contract, Instrument or Chattel Paper, or (B) such prohibition would be rendered ineffective pursuant to Sections 9-407(a) or 9-408(a) of the UCC, as applicable and as then in effect in any relevant jurisdiction, or any other applicable law (including the Bankruptcy Code or principles of equity); provided, further, that immediately upon the ineffectiveness, lapse or termination of any such provision, the term "Collateral" shall include, and Borrower shall be deemed to have granted a security interest in, all its rights, title and interests in and to such contract, Instrument or Chattel Paper as if such provision had never been in effect; and provided further that the foregoing exclusion shall in no way be construed so as to limit, impair or otherwise affect Lender's unconditional continuing security interest in and to all rights, title and interests of Borrower in or to any payment obligations or other rights to receive monies due or to become due under any such contract, Instrument or Chattel Paper and in any such monies and other proceeds of such contract, Instrument or Chattel Paper.

Annex II to
Loan and Security Agreement
dated as of September 15, 2020
between
Rani Therapeutics, LLC
and
Avenue Venture Opportunities Fund, L.P.

Description of Collateral

The Collateral consists of all of Borrower's right, title and interest in and to the following property, whether now owned or hereafter acquired and wherever located: (a) all Receivables; (b) all Equipment; (c) all Fixtures; (d) all General Intangibles (except as noted below); (e) all Inventory; (f) all Investment Property; (g) all Deposit Accounts; (h) all Shares; (i) all other Goods and personal property of Borrower, whether tangible or intangible and whether now or hereafter owned or existing, leased, consigned by or to, or acquired by, Borrower and wherever located; (j) all Records; and (k) all Proceeds of each of the foregoing and all accessions to, substitutions and replacements for, and rents, profits and products of each of the foregoing.

Notwithstanding the foregoing the term "Collateral" shall not include: (i) more than sixty-five percent (65%) of the issued and outstanding capital stock, membership units or other securities entitled to vote owned or held of record by Borrower in any Subsidiary that is a controlled foreign corporation (as defined in the Internal Revenue Code), provided that the Collateral shall include one hundred percent (100%) of the issued and outstanding non-voting capital stock of such Subsidiary; (ii) any Intellectual Property; provided, however, the Collateral shall include all Accounts and all proceeds of Intellectual Property; if a judicial authority (including a U.S. Bankruptcy Court) would hold that a security interest in the underlying Intellectual Property is necessary to have a security interest in such Accounts and such property that are proceeds of Intellectual Property, then the Collateral shall automatically, and effective as of the Closing Date, include the Intellectual Property to the extent necessary to permit perfection of Lender's security interest in such Accounts and such other property of Borrower that are proceeds of the Intellectual Property; (iii) "intent-to-use" trademarks at all times prior to the first use thereof, whether by the actual use thereof in commerce, the recording of a statement of use with the United States Patent and Trademark Office or otherwise, but only to the extent the granting of a security interest in such "intent to use" trademarks would be contrary to applicable law; (iv) any property (including any accessions, additions, replacements or substitutions) subject to a Lien that constitutes a Permitted Lien under clause (c) of the definition of Permitted Liens if Borrower is prohibited from granting a security interest in such property provided, that immediately upon the lapse or termination of any such provision, the term "Collateral" shall include, and Borrower shall be deemed to have granted a security interest in, all its rights, title and interests in and to such property; (v) any contract, Instrument or Chattel Paper in which Borrower has any right, title or interest if and to the extent such contract, Instrument or Chattel Paper includes a provision containing a restriction on assignment such that the creation of a security interest in the right, title or interest of Borrower therein would be prohibited and would, in and of itself, cause or result in a default thereunder enabling another person party to such contract, Instrument or Chattel Paper to enforce any remedy with respect thereto; or (vi) the Excluded Accounts; provided, however, that the foregoing exclusions in clauses (iv) and (v) shall not apply if (A) such prohibition has been waived or such other person has otherwise consented to the creation hereunder of a security interest in such contract, Instrument or Chattel Paper, or (B) such prohibition would be rendered ineffective pursuant to Sections 9-407(a) or 9-408(a) of the UCC, as applicable and as then in effect in any relevant jurisdiction, or any other applicable law (including the Bankruptcy Code or principles of equity); provided, further, that immediately upon the ineffectiveness, lapse or termination of any such provision, the term "Collateral" shall include, and Borrower shall be deemed to have granted a security interest in, all its rights, title and interests in and to such contract, Instrument or Chattel Paper as if such provision had never been in effect; and provided further that the foregoing exclusion shall in no way be construed so as to limit, impair or otherwise affect Lender's unconditional continuing security interest in and to all rights, title and interests of Borrower in or to any payment obligations or other rights to receive monies due or to become due under any such contract, Instrument or Chattel Paper and in any such monies and other proceeds of such contract, Instrument or Chattel Paper.

Exhibit 10.21

PROMISSORY NOTE

Note No. 1

$3,000,000.00 September 15, 2020

The undersigned ("Borrower") promises to pay to the order of AVENUE VENTURE OPPORTUNITIES FUND, L.P., a Delaware limited partnership ("Lender"), at such place as Lender may designate in writing, in lawful money of the United States of America, the principal sum of Three Million Dollars ($3,000,000.00), with interest thereon from the date hereof until maturity, whether scheduled or accelerated, at a variable rate per annum equal to the sum of (i) the greater of (A) the Prime Rate and (B) three and one-quarters percent (3.25%), plus (ii) eight percent (8.00%) (the "Designated Rate"), according to the payment schedule described herein, except as otherwise provided herein. In addition, on the Maturity Date, the Borrower promises to pay to the order of Lender (i) all principal and accrued interest then remaining unpaid and (ii) the Final Payment (as defined in the Loan Agreement (as defined herein)).

This Note is one of the Notes referred to in, and is entitled to all the benefits of, a Loan and Security Agreement, dated as of September 15, 2020, between Borrower and Lender (as the same has been and may be amended, restated or supplemented from time to time, the "Loan Agreement"). Each capitalized term not otherwise defined herein shall have the meaning set forth in the Loan Agreement. The Loan Agreement contains provisions for the acceleration of the maturity of this Note upon the happening of certain stated events.

Principal of and interest on this Note shall be payable as provided under Section 2 of Part 2 of the Supplement to the Loan Agreement.

This Note may be prepaid only as permitted under Section 2 of Part 2 of the Supplement to the Loan Agreement.

Any unpaid payments of principal or interest on this Note shall bear interest from their respective maturities, whether scheduled or accelerated, at a rate per annum equal to the Default Rate, compounded monthly. Borrower shall pay such interest on demand.

Interest, charges and fees shall be calculated for actual days elapsed on the basis of a 360-day year, which results in higher interest, charge or fee payments than if a 365-day year were used. In no event shall Borrower be obligated to pay interest, charges or fees at a rate in excess of the highest rate permitted by applicable law from time to time in effect.

If Borrower is late in making any scheduled payment under this Note by more than five (5) days, Borrower agrees to pay a "late charge" of five percent (5%) of the installment due, but not less than fifty dollars ($50) for any one such delinquent payment. This late charge may be charged by Lender for the purpose of defraying the expenses incidental to the handling of such delinquent amounts. Borrower acknowledges that such late charge represents a reasonable sum considering all of the circumstances existing on the date of this Note and represents a fair and reasonable estimate of the costs that will be sustained by Lender due to the failure of Borrower to make timely payments. Borrower further agrees that proof of actual damages would be costly and inconvenient. Such late charge shall be paid without prejudice to the right of Lender to collect any other amounts provided to be paid or to declare a default under this Note or any of the other Loan Documents or from exercising any other rights and remedies of Lender.

This Note shall be governed by, and construed in accordance with, the laws of the State of California, excluding those laws that direct the application of the laws of another jurisdiction.

RANI THERAPEUTICS, LLC

By: */s/ Svai Sanford*
Name: Svai Sanford
Its: Chief Financial Officer

SUPPLEMENT
to the
Loan and Security Agreement
dated as of September 15, 2020
between
Rani Therapeutics, LLC ("Borrower")
and
Avenue Venture Opportunities Fund, L.P. ("Lender")

This is a Supplement identified in the document entitled Loan and Security Agreement, dated as of September 15, 2020 (as amended, restated, supplemented and modified from time to time, the "**Loan and Security Agreement**"), by and between Borrower and Lender. All capitalized terms used in this Supplement and not otherwise defined in this Supplement have the meanings ascribed to them in Article 10 of the Loan and Security Agreement, which is incorporated in its entirety into this Supplement. In the event of any inconsistency between the provisions of the Loan and Security Agreement and this Supplement, this Supplement is controlling.

In addition to the provisions of the Loan and Security Agreement, the parties agree as follows:

Part 1 - Additional Definitions:

"**Amortization Period**" means the period commencing on the first day of the first full calendar month following the Interest-only Period and continuing until the Maturity Date.

"**Commitment**" means, subject to the terms and conditions set forth in the Loan and Security Agreement and this Supplement, Lender's commitment to make Growth Capital Loans to Borrower up to the aggregate original principal amount of Ten Million Dollars ($10,000,000), with Three Million Dollars ($3,000,000) funded on the Closing Date; and up to Seven Million Dollars ($7,000,000) to be funded between the Tranche 2 Start Date and the Termination Date, subject to the conditions in Section 1(a) of Part 2 ("**Tranche 2**").

"**Conversion Option Principal**" is defined in Part 2, Section 3(d) hereof.

"**Current Financing**" is defined in Part 2, Section 3(d) hereof.

"**Designated Rate**" means, for each Growth Capital Loan, a variable rate of interest per annum equal to the sum of (i) the greater of (A) the Prime Rate and (B) three and one-quarters percent (3.25%), plus (ii) eight percent (8.00%). Changes to the Designated Rate based on changes to the Prime Rate shall be effective as of the next scheduled interest payment date immediately following such change.

"**FDA**" means the U.S. Food and Drug Administration or any successor thereto.

"**Final Payment**" means a payment (in addition to and not a substitution for the regular monthly payments of principal plus accrued interest) equal to four and one-quarter percent (4.25%) of the original Commitment amount of Ten Million Dollars ($10,000,000).

"**Growth Capital Loan**" means any Loan requested by Borrower and funded by Lender under its Commitment for general corporate purposes of Borrower.

"**IDE**" means an investigational device exemption issued by the FDA.

"**Interest-only Period**" means the period commencing on the Closing Date and continuing until the twelfth (12th) month anniversary of the Closing Date; provided, however, that such period shall be extended for six (6) months

(the "**First Interest-only Period Extension**") if as of the last day of the Interest-only Period then in effect Borrower has achieved the Qualified Public Offering; *provided*, *further*, however that such period shall be extended for an additional six (6) months if, as of the last day of the Interest-only Period then in effect, Borrower has achieved (a) the First Interest-only Period Extension and (b) positive IDE study data, which supports FDA approval of RaniPill Master File; *provided*, *further*, however, that the Interest-only Period shall not exceed twenty-four (24) months.

"**Loan**" or "**Loans**" mean, as the context may require, individually a Growth Capital Loan, and collectively, the Growth Capital Loans.

"**Loan Commencement Date**" means, with respect to each Growth Capital Loan: (a) the first day of the first full calendar month following the Borrowing Date of such Loan if such Borrowing Date is not the first day of a month; or (b) the same day as the Borrowing Date if the Borrowing Date is the first day of a month.

"**Maturity Date**" means September 1, 2023; provided that, upon Borrower achieving the First Interest-only Period Extension, the Maturity Date shall be extended six (6) months and shall mean March 1, 2024.

"**Prepayment Fee**" means, with respect to any prepayment of the Loans:

(i) if the prepayment occurs during the period commencing on the Closing Date and ending on (but including) the last day of the Interest-only Period, an amount equal to the principal amount of the Loans prepaid multiplied by 3.00%; and

(ii) if the prepayment occurs during the period commencing on the day immediately following the last day of the Interest-only Period and ending on (but excluding) the Maturity Date, an amount equal to the principal amount of the Loans prepaid multiplied by 1.00%.

"**Prime Rate**" is the rate of interest per annum from time to time published in the money rates section of The Wall Street Journal or any successor publication thereto as the "prime rate" then in effect; provided that, in the event such rate of interest is less than zero, such rate shall be deemed to be zero for purposes of this Supplement; and provided further that if such rate of interest, as set forth from time to time in the money rates section of The Wall Street Journal, becomes unavailable for any reason as determined by Lender, the "**Prime Rate**" shall mean the rate of interest per annum announced by Silicon Valley Bank as its prime rate in effect at its principal office in the State of California (such announced Prime Rate not being intended to be the lowest rate of interest charged by such institution in connection with extensions of credit to debtors); provided that, in the event such rate of interest is less than zero, such rate shall be deemed to be zero for purposes of this Supplement.

"**Subsequent Financing**" means the closing of the next bona fide round of Borrower equity financing which becomes effective after the Closing Date and results in aggregate proceeds to Borrower of at least Thirty Million Dollars ($30,000,000).

"**Termination Date**" means the earlier of: (i) the date Lender may terminate making Growth Capital Loans or extending other credit pursuant to the rights of Lender under Article 7 of the Loan and Security Agreement; and (ii) March 31, 2021.

"**Threshold Amount**" means Two Hundred Fifty Thousand Dollars ($250,000).

"**Tranche 2 Start Date**" means the date Borrower has satisfied the condition in Part 2, Section 1(a).

"**Warrant**" is defined in Part 2, Section 3(a) hereof.

Part 2 - Additional Covenants and Conditions:

1. Growth Capital Loan Facility.

(a) Additional Condition(s) Precedent Regarding Growth Capital Loan Commitments. In addition to the satisfaction of all of the other applicable conditions precedent specified in Sections 4.1 and 4.2 of the Loan and Security Agreement and this Supplement, Lender's obligation to fund Tranche 2 of its Commitment of Growth Capital Loans is subject to receipt by Lender of evidence, as determined by Lender in its reasonable discretion, that Borrower has received no less than Forty Million Dollars ($40,000,000) of net new capital in the form of equity proceeds and/or upfront licensing payments, after the Closing Date and prior to March 31, 2021.

Subject to satisfaction of the conditions precedent specified in Sections 4.1 and Section 4.2 of the Loan and Security Agreement and this Supplement, Lender agrees to make Growth Capital Loans to Borrower under Lender's Commitment from time to time from and after the Closing Date up to and including the Termination Date in an aggregate, original principal amount up to, but not exceeding, the then-unfunded portion of Lender's Commitment.

(b) Minimum Funding Amount; Maximum Number of Borrowing Requests. Growth Capital Loans requested by Borrower to be made on a single Business Day shall be for a minimum aggregate, original principal amount of One Million Dollars ($1,000,000); provided, however, that the initial Growth Capital Loan shall be funded on the Closing Date in a minimum original principal amount of Three Million Dollars ($3,000,000). Borrower shall not submit a Borrowing Request more frequently than once per calendar month.

(c) Repayment of Growth Capital Loans. Principal of, and interest on, each Growth Capital Loan shall be payable as set forth in a Note evidencing such Growth Capital Loan (substantially in the form attached hereto as Exhibit "A"), which Note shall provide substantially as follows: principal shall be fully amortized over the Amortization Period in equal, monthly principal installments plus, in each case, unpaid interest thereon at the Designated Rate, commencing after the Interest-only Period of interest-only installments at the Designated Rate. In particular, on the Borrowing Date applicable to such Growth Capital Loan, Borrower shall pay to Lender (i) if the Borrowing Date is earlier than the Loan Commencement Date, interest only at the Designated Rate, in advance, on the outstanding principal balance of the Growth Capital Loan for the period from the Borrowing Date through the last day of the calendar month in which such Borrowing Date occurs, and (ii) the first (1st) interest-only installment at the Designated Rate, in advance, on the outstanding principal balance of the Note evidencing such Loan for the ensuing month. Commencing on the first day of the second (2nd) full month after the Borrowing Date and continuing on the first (1st) day of each month during the Interest-only Period thereafter, Borrower shall pay to Lender interest only at the Designated Rate, in advance, on the outstanding principal balance of the Loan evidenced by such Note for the ensuing month. Commencing on the first (1st) day of the first (1st) full month after the Interest-only Period, and continuing on the first (1st) day of each consecutive calendar month thereafter, Borrower shall pay to Lender principal, plus interest at the Designated Rate, in advance, in equal consecutive monthly installments in an amount sufficient to fully amortize the Loan evidenced by such Note over the Amortization Period. On the Maturity Date, all principal and accrued interest then remaining unpaid and the Final Payment shall be due and payable.

2. Prepayment. Borrower may prepay all, but not less than all, Growth Capital Loans in whole, but not in part, at any time by tendering to Lender a cash payment in respect of such Loans in an amount determined by Lender equal to the sum of: (i) the aggregate outstanding principal amount of such Loans; (ii) the accrued and unpaid interest on such Loans as of the date of prepayment; (iii) the Prepayment Fee; and (iv) the Final Payment; provided that, if Lender has not yet exercised its rights under Section 3(d) hereof, Borrower shall provide written notice of prepayment at least ten (10) Business Days in advance of the proposed prepayment date and Lender shall have the option, with respect to the Conversion Option Principal, to exercise its rights pursuant to Section 3(d) hereof by delivering written notice to Borrower at least two (2) Business Days in advance of the proposed prepayment date; provided, further, that Lender's failure to deliver such notice shall be deemed a waiver of Lender's rights pursuant to Section 3(d) hereof and such conversion right shall terminate.

3. Issuance of Warrant; Right to Invest; Right to Convert.

(a) Warrant. As additional consideration for the making of its Commitment, Lender has earned and is entitled to receive immediately upon the execution of the Loan and Security Agreement and this Supplement, a warrant instrument issued by Borrower (the "**Warrant**").

(b) Warrant General. The Warrant shall be in form and substance reasonably satisfactory to Lender.

(c) Right to Invest. Lender shall have the right, in its discretion, but not the obligation, to invest up to One Million Dollars ($1,000,000) in equity securities of Borrower offered in the first bona fide round of Borrower equity financing after the Closing Date, including any public offering of Borrower's equity securities (in either case, the "**Next Round Financing**"), at the initial (or any subsequent) closing of such Next Round Financing and on the same terms, conditions, and pricing offered by Borrower to the investors participating in such Next Round Financing; provided, however, such terms shall exclude a seat on the Borrower's Board of Directors, which may be offered to other investors at Borrower's discretion. This right shall survive the repayment of Indebtedness under the Loan and Security Agreement and shall otherwise survive the expiration or other termination of the Loan and Security Agreement until the final closing of the Next Round Financing.

(d) Conversion Right. Lender shall have the right, in its discretion and at any time and from time to time, while the Loan is outstanding, to convert an amount of up to Three Million Dollars ($3,000,000) of the principal amount of the outstanding Growth Capital Loans (the "**Conversion Option Principal**") into the latest round of Borrower's equity securities closed on or before the Closing Date (the "**Current Financing**") and/or in the Subsequent Financing, in each case (i) at a price per share equal to a twenty percent (20.00%) premium to the exercise price set forth in the Warrant and (ii) otherwise on the same terms and conditions afforded to others participating in the Current Financing and/or Subsequent Financing, as applicable.

4. Commitment Fee. Borrower shall pay to Lender a commitment fee in the amount of one percent (1.00%) of the Ten Million Dollars ($10,000,000) Commitment due and payable on the Closing Date, of which Fifty Thousand Dollars ($50,000) has been paid by Borrower to Lender as an advance deposit prior to the date hereof. As an additional condition precedent under Section 4.1 of the Loan and Security Agreement, Lender shall have completed to its satisfaction its due diligence review of Borrower's business and financial condition and prospects, and Lender's Commitment shall have been approved. If this condition is not satisfied, the Fifty Thousand Dollars ($50,000) advance deposit previously paid by Borrower shall be refunded. Except as set forth in this Section 4, the Commitment Fee is not refundable.

5. Documentation Fee Payment. On the Closing Date, Borrower shall reimburse Lender pursuant to Section 9.8(a) of the Loan and Security Agreement for (i) its reasonable attorneys' fees, costs and expenses incurred in connection with the preparation and negotiation of the Loan Documents and (ii) such Lender's costs and filing fees related to perfection of its Liens in the Collateral in any jurisdiction in which the same is located, recording a copy of the Intellectual Property Security Agreement with the United States Patent and Trademark Office or the United States Copyright Office, as applicable, and confirming the priority of such Liens.

6. Borrower's Primary Operating Account and Wire Transfer Instructions:

Institution Name:	
Address:	
ABA No.:	
Contact Name:	
Phone No.:	
E-mail:	
Account Title:	
Account No.:	

7. Debits to Account for ACH Transfers. For purposes of Sections 2.2 and 5.10 of the Loan and Security Agreement, the Primary Operating Account shall be the bank account set forth in Section 6 above, unless and until such account is changed in accordance with Section 5.10 of the Loan and Security Agreement. Borrower hereby agrees that the Growth Capital Loans will be advanced to the account specified above and regularly scheduled payments of principal, interest and fees will be automatically debited from the same account. Borrower hereby confirms that the bank at which the Primary Operating Account is maintained uses that same ABA Number for incoming wires transfers to the Primary Operating Account and outgoing ACH transfers from the Primary Operating Account.

Part 3 - Additional Representations:

Borrower represents and warrants that as of the Closing Date and, subject to any written updates of the information set forth below by Borrower to Lender, each Borrowing Date:

a) Its chief executive office is located at: 2051 Ringwood Ave, San Jose, CA 95131

b) Its Equipment is located at: 2051 Ringwood Ave, San Jose, CA 95131

c) Its Inventory is located at: 2051 Ringwood Ave, San Jose, CA 95131

d) Its Records are located at: 2051 Ringwood Ave, San Jose, CA 95131

e) In addition to its chief executive office, Borrower maintains offices or operates its business at the following locations: N/A

f) Other than its full corporate name, Borrower has conducted business using the following trade names or fictitious business names: N/A

g) Its state identification number is: _____ (CA ID)

h) Its U.S. federal tax identification number is: _____

i) Including Borrower's Primary Operating Account identified in Section 6 above, Borrower maintains the following Deposit Accounts and investment accounts:

Institution Name:	
Address:	
ABA No.:	
Contact Name:	
Phone No.:	
E-mail:	
Account Title:	
Account No.:	

Institution Name:	
Address:	
ABA No.:	
Contact Name:	
Phone No.:	
E-mail:	
Account Title:	
Account No.:	

Part 4 - Additional Loan Documents:

Form of Promissory Note	Exhibit “A”
Form of Borrowing Request	Exhibit “B”
Form of Compliance Certificate	Exhibit “C”

[*Remainder of this page intentionally left blank; signature page follows*]

IN WITNESS WHEREOF, the parties have executed this Supplement as of the date first above written.

BORROWER:

RANI THERAPEUTICS, LLC

By: /s/ Svai Sanford
Name: Svai Sanford
Title: Chief Financial Officer

Address for Notices:

2051 Ringwood Ave
San Jose, CA 95131
Attn: Svai Sanford, CFO

LENDER:

AVENUE VENTURE OPPORTUNITIES FUND, L.P.

By: Avenue Venture Opportunities Partners, LLC
Its: General Partner

By: /s/ Sonia Gardner
Name: Sonia Gardner
Title: Authorized Signatory

Address for Notices:

11 West 42nd Street, 9th Floor
New York, New York 10036

EXHIBIT "A"

FORM OF PROMISSORY NOTE

[Note No. X-XXX]

$_____ September 15, 2020

The undersigned ("Borrower") promises to pay to the order of AVENUE VENTURE OPPORTUNITIES FUND, L.P., a Delaware limited partnership ("Lender"), at such place as Lender may designate in writing, in lawful money of the United States of America, the principal sum of _____ Dollars ($_____), with interest thereon from the date hereof until maturity, whether scheduled or accelerated, at a variable rate per annum equal to the sum of (i) the greater of (A) the Prime Rate and (B) three and one-quarters percent (3.25%), plus (ii) eight percent (8.00%) (the "Designated Rate"), according to the payment schedule described herein, except as otherwise provided herein. In addition, on the Maturity Date, the Borrower promises to pay to the order of Lender (i) all principal and accrued interest then remaining unpaid and (ii) the Final Payment (as defined in the Loan Agreement (as defined herein)).

This Note is one of the Notes referred to in, and is entitled to all the benefits of, a Loan and Security Agreement, dated as of September 15, 2020, between Borrower and Lender (as the same has been and may be amended, restated or supplemented from time to time, the "Loan Agreement"). Each capitalized term not otherwise defined herein shall have the meaning set forth in the Loan Agreement. The Loan Agreement contains provisions for the acceleration of the maturity of this Note upon the happening of certain stated events.

Principal of and interest on this Note shall be payable as provided under Section 2 of Part 2 of the Supplement to the Loan Agreement.

This Note may be prepaid only as permitted under Section 2 of Part 2 of the Supplement to the Loan Agreement.

Any unpaid payments of principal or interest on this Note shall bear interest from their respective maturities, whether scheduled or accelerated, at a rate per annum equal to the Default Rate, compounded monthly. Borrower shall pay such interest on demand.

Interest, charges and fees shall be calculated for actual days elapsed on the basis of a 360-day year, which results in higher interest, charge or fee payments than if a 365-day year were used. In no event shall Borrower be obligated to pay interest, charges or fees at a rate in excess of the highest rate permitted by applicable law from time to time in effect.

If Borrower is late in making any scheduled payment under this Note by more than five (5) days, Borrower agrees to pay a "late charge" of five percent (5%) of the installment due, but not less than fifty dollars ($50) for any one such delinquent payment. This late charge may be charged by Lender for the purpose of defraying the expenses incidental to the handling of such delinquent amounts. Borrower acknowledges that such late charge represents a reasonable sum considering all of the circumstances existing on the date of this Note and represents a fair and reasonable estimate of the costs that will be sustained by Lender due to the failure of Borrower to make timely payments. Borrower further agrees that proof of actual damages would be costly and inconvenient. Such late charge shall be paid without prejudice to the right of Lender to collect any other amounts provided to be paid or to declare a default under this Note or any of the other Loan Documents or from exercising any other rights and remedies of Lender.

This Note shall be governed by, and construed in accordance with, the laws of the State of California, excluding those laws that direct the application of the laws of another jurisdiction.

RANI THERAPEUTICS, LLC

By: _____
Its: _____

By: _____
Name: _____
Its: _____

EXHIBIT "B"

FORM OF BORROWING REQUEST

[date of Borrowing Request]

Avenue Venture Opportunities Fund, L.P.
11 West 42nd Street, 9th Floor
New York, New York 10036

Re: RANI THERAPEUTICS, LLC

Ladies and Gentlemen:

Reference is made to the Loan and Security Agreement, dated as of September 15, 2020 (as amended, restated or supplemented from time to time, the "Loan Agreement"; the capitalized terms used herein as defined therein), between Avenue Venture Opportunities Fund, L.P. ("Lender") and RANI THERAPEUTICS, LLC ("Borrower").

The undersigned is the _____ of Borrower and hereby requests on behalf of Borrower a Loan under the Loan Agreement, and in that connection certifies as follows:

1. The amount of the proposed Loan is _____ Dollars ($_____). The Borrowing Date of the proposed Loan is _____ (the "Borrowing Date").

(a) On the Borrowing Date, the Lender will wire $[_____] less fees and expenses to be deducted on the Borrowing Date of $[_____] for net proceeds of $[_____] to Borrower pursuant to the following wire instructions.

Institution Name:	
Address:	
ABA No.:	
Contact Name:	
Phone No.:	
E-mail:	
Account Title:	
Account No.:	

(b) On the Borrowing Date, the Lender will wire $[_____] to [_____] for fees and expenses pursuant to the following wire instructions.

Institution Name:	
Address:	
ABA No.:	

Contact Name:	
Phone No.:	
E-mail:	
Account Title:	
Account No.:	

2. As of this date, no Default or Event of Default has occurred and is continuing, or will result from the making of the proposed Loan, the representations and warranties of Borrower contained in Article 3 of the Loan Agreement and Part 3 of the Supplement are true and correct in all material respects other than those representations and warranties expressly referring to a specific date which are true and correct in all material respects as of such date, and the conditions precedent described in Sections 4.1 and/or 4.2 of the Loan Agreement and Part 2 of the Supplement, as applicable, have been met.

3. No event has occurred that has had or could reasonably be expected to have a Material Adverse Change.

4. Borrower's most recent financial statements, financial projections or business plan dated _____, as reviewed by Borrower's Board of Directors, are enclosed herewith in the event such financial statements, financial projections or business plan have not been previously provided to Lender.

Remainder of this page intentionally left blank; signature page follows

Borrower shall notify you promptly before the funding of the Loan if any of the matters to which I have certified above shall not be true and correct on the Borrowing Date.

Very truly yours,

RANI THERAPEUTICS, LLC

By: _____
Its: _____

By: _____
Name: _____
Title:* _____

* Must be executed by Borrower's Chief Financial Officer or other executive officer.

EXHIBIT "C"

FORM OF

COMPLIANCE CERTIFICATE

Avenue Venture Opportunities Fund, L.P.
11 West 42nd Street, 9th Floor
New York, New York 10036

Re: RANI THERAPEUTICS, LLC

Ladies and Gentlemen:

Reference is made to the Loan and Security Agreement, dated as of September 15, 2020 (as the same has been and may be supplemented, amended and modified from time to time, the "**Loan Agreement**," the capitalized terms used herein as defined therein), between Avenue Venture Opportunities Fund, L.P. ("**Lender**") and RANI THERAPEUTICS, LLC ("**Borrower**").

The undersigned authorized representative of Borrower hereby certifies in such capacity that in accordance with the terms and conditions of the Loan Agreement, (i) no Default or Event of Default has occurred and is continuing, except as noted below, and (ii) Borrower is in compliance for the financial reporting period ending _____ with all required financial reporting under the Loan Agreement, except as noted below. Attached herewith are the required documents supporting the foregoing certification. The undersigned authorized representative of Borrower further certifies in such capacity that: (a) the accompanying financial statements have been prepared in accordance with Borrower's past practices applied on a consistent basis, or in such manner as otherwise disclosed in writing to Lender, throughout the periods indicated; and (b) the financial statements fairly present in all material respects the financial condition and operating results of Borrower and its Subsidiaries, if any, as of the dates, and for the periods, indicated therein, subject to the absence of footnotes and normal year-end audit adjustments (in the case of interim monthly financial statements), except as explained below.

Please provide the following requested information and indicate compliance status by circling (or otherwise indicating) Yes/No under "Included/Complies":

REPORTING REQUIREMENT	REQUIRED	INCLUDED/COMPLIES
Balance Sheet, Income Statement & Cash Flow Statement	Monthly, within 30 days	YES / NO
Operating Budgets, 409(A) Valuations & Updated Capitalization Tables	As modified	YES / NO
Annual Financial Statements	Annually, within 120 day of fiscal year-end	YES / NO
Board Packages	As modified	YES / NO

Date of most recent Board-approved budget/plan _____

Any change in budget/plan since version most recently delivered to Lender YES / NO
If Yes, please attach

Date of most recent capitalization table: _____

Any changes in capitalization table since version most recently delivered to Lender?: YES / NO
If Yes, please attach a copy of latest capitalization table

EQUITY & CONVERTIBLE NOTE FINANCINGS

Please provide the following information (if applicable) regarding Borrower's most-recent equity and/or convertible note financing each time this Certificate is delivered to Lender

Date of Last Round Raised: _____
Has there been any new financing since the last Compliance Certificate submitted? YES / NO
If "YES" please attach a copy of the Capitalization Table

Date Closed: _____ Series: _____ Per Share Price: $ _____
Amount Raised: _____ Post Money Valuation: _____

Any stock splits since date of last report? YES / NO
If yes, please provide any information on stock splits which would affect valuation:

Any dividends since date of last report? YES / NO
If yes, please provide any information on dividends which would affect valuation:

Any unusual terms? (i.e., Anti-dilution, multiple preference, etc.) YES / NO
If yes, please explain:

ACCOUNT CONTROL AGREEMENTS

Pursuant to Section 6.11 of the Loan Agreement, Borrower represents and warrants that: (i) as of the date hereof, it maintains only those deposit and investment accounts set forth below; and (ii) to the extent required by Section 6.11 of the Loan Agreement, a control agreement has been executed and delivered to Lender with respect to each such account ***[Note: If Borrower has established any new account(s) since the date of the last compliance certificate, please so indic***ate].

Deposit Accounts[1]

	Name of Institution	Account Number	Control Agt. In place?	Complies	New Account
1.)	[_____]	[_____]	YES / NO	YES / NO	YES / NO
2.)	_____	_____	YES / NO	YES / NO	YES / NO

[1] Company: Please complete with existing accounts.

Investment Accounts

	Name of Institution	Account Number	Control Agt. In place?	Complies	New Account
1.)	None	_____	YES / NO	YES / NO	YES / NO
2.)	_____	_____	YES / NO	YES / NO	YES / NO
3.)	_____	_____	YES / NO	YES / NO	YES / NO
4.)	_____	_____	YES / NO	YES / NO	YES / NO

AGREEMENTS WITH PERSONS IN POSSESSION OF TANGIBLE COLLATERAL

Pursuant to Section 5.9(e) of the Loan Agreement, Borrower represents and warrants that: (i) as of the date hereof, tangible Collateral is located at the addresses set forth below; and (ii) to the extent required by Section 5.9(e) of the Loan Agreement, a Waiver has been executed and delivered to Lender, or such Waiver has been waived by Lender, ***[Note: If Borrower has located Collateral at any new location since the date of the last compliance certificate, please so indicate].***

	Location of Collateral	Value of Collateral at such Locations	Waiver In place?	Complies?	New Location?
1.)	_____	$_____	YES / NO	YES / NO	YES / NO
2.)	_____	$_____	YES / NO	YES / NO	YES / NO
3.)	_____	$_____	YES / NO	YES / NO	YES / NO
4.)	_____	$_____	YES / NO	YES / NO	YES / NO

SUBSIDIARIES AND OTHER PERSONS

Pursuant to Section 6.14(a) of the Loan Agreement, Borrower represents and warrants that: (i) as of the date hereof, it has directly or indirectly acquired or created, or it intends to directly or indirectly acquire or create, each Subsidiary or other Person described below; and (ii) such Subsidiary or Person has been made a co-borrower under the Loan Agreement or a guarantor of the Obligations ***[Note: If Borrower has acquired or created any Subsidiary since the date of the last compliance certificate, please so indicate].***

	Name:	Jurisdiction of formation or organization:[2]	Co-borrower or guarantor?	Complies?	New Subsidiary or Person?
1)	_____	_____	YES / NO	YES / NO	YES / NO
2)	_____	_____	YES / NO	YES / NO	YES / NO
3)	_____	_____	YES / NO	YES / NO	YES / NO
4)	_____	_____	YES / NO	YES / NO	YES / NO

[2] Under the "Explanations" heading (see below) please include a description of such Subsidiary's or Person's fully diluted capitalization and Borrower's purpose for its acquisition or creation of such Subsidiary if such information has not been previously furnished to Lender.

EXPLANATIONS

[*Remainder of this page intentionally left blank; signature page follows*]

Very truly yours,

RANI THERAPEUTICS, LLC

By: _____
Its: _____

By: _____
Name: _____
Title:* _____

* Must be executed by Borrower's Chief Financial Officer or other executive officer.

RANI MANAGEMENT SERVICES, INC.

June 17, 2021

Talat Imran
VIA EMAIL

Re: Amended and Restated Employment Agreement

Dear Talat:

You are currently employed by **RANI MANAGEMENT SERVICES, INC.** (the "***Company***") under the terms of an offer letter between you and the Company dated December 28, 2020 (the "***Offer Letter***"). The Company is amending and restating the terms of the Offer Letter to reflect your new employment terms as set forth in this employment agreement (the "***Agreement***"). Once you accept this Agreement by signing and returning it to the Company, this Agreement shall supersede and replace your Offer Letter in its entirety. This Agreement, together with the other documents and agreements referenced herein, shall then govern the terms of your employment with the Company.

1. EMPLOYMENT BY THE COMPANY.

(a) Position. You will serve as the Company's Chief Executive Officer, effective June 17, 2021.

(b) Duties and Location. You will perform those duties and responsibilities as are customary for the position of Chief Executive Officer and as may be directed by the Board of Directors of the Company, to whom you will report. Your primary office location will be the Company's offices in San Jose, California. Notwithstanding the foregoing, the Company reserves the right to reasonably require you to perform your duties at places other than your primary office location from time to time, and to require reasonable business travel. Subject to the terms of this Agreement, the Company may modify your job title, duties, and reporting relationship as it deems necessary and appropriate in light of the Company's needs and interests from time to time.

(c) Outside Activities. Throughout your employment with the Company, you may engage in civic and not-for-profit activities so long as such activities do not interfere with the performance of your duties hereunder or present a conflict of interest with the Company. During your employment by the Company, except on behalf of the Company, you will not directly or indirectly serve as an officer, director, stockholder, employee, partner, proprietor, investor, joint venturer, associate, representative or consultant of any other person, corporation, firm, partnership or other entity whatsoever known by you to compete with the Company (or is planning or preparing to compete with the Company), anywhere in the world, in any line of business engaged in (or planned to be engaged in) by the Company; provided, however, that you may purchase or otherwise acquire up to (but not more than) one percent (1%) of any class of securities of any enterprise (but without participating in the activities of such enterprise) if such securities are listed on any national or regional securities exchange.

2. COMPENSATION AND BENEFITS.

(a) Base Salary. You are currently receiving a base salary of $300,000 per year. Effective June 17, 2021, your base salary will be automatically increased to $500,000 per year. In all cases, your base salary will be paid on the Company's ordinary payroll cycle, less applicable payroll deductions and withholdings. As an exempt salaried employee, you will be required to work the Company's normal business hours, and such additional time as appropriate for your work assignments and position, and you will not be entitled to overtime compensation.

(b) Employee Benefits. As a regular full-time employee, you will be eligible to participate in the Company's standard employee benefits offered to executive level employees, as in effect from time to time and subject to the terms and conditions of the benefit plans and applicable Company policies. A full description of these benefits is available upon request. Subject to the terms of this Agreement, the Company may change your compensation and benefits from time to time in its discretion.

(c) Annual Bonus. You are also eligible to earn an annual bonus with a target amount equal to 75% of your annual base salary. The terms of this bonus will be determined in the sole discretion of the Board of Directors of Rani Therapeutics Holdings, Inc. or the Compensation Committee thereof.

(d) Equity Compensation. During the term of your employment, you will be eligible to participate in the Rani Therapeutics Holdings, Inc. 2021 Equity Incentive Plan or any successor plan, subject to the terms of the Plan or successor plan, as determined by the Board of Directors of Rani Therapeutics Holdings, Inc. or its Compensation Committee, in its discretion.

(e) Severance and Change in Control Benefit Plan. You will be eligible to participate in the Rani Therapeutics Holdings, Inc. Severance and Change in Control Plan (the "***Severance Plan***") subject to the terms and conditions of the Severance Plan and your Participation Agreement (as defined in the Severance Plan). You acknowledge that any right to severance provided by other agreements or promises made to you by anyone, whether oral or written, is hereby extinguished.

(f) Expenses. The Company will reimburse you for reasonable travel, entertainment or other expenses incurred by you in furtherance of or in connection with the performance of your duties hereunder, in accordance with the Company's expense reimbursement policies and practices as in effect from time to time.

3. CONFIDENTIAL INFORMATION. As a Company employee, you will be expected to continue to abide by Company rules and policies including those rules and policies regarding the protection of the Company's confidential information. You are also required to execute the Company's standard form of Confidentiality Agreement, to be provided to you.

4. AT-WILL EMPLOYMENT RELATIONSHIP. Your employment relationship with the Company is at will. Accordingly, you may terminate your employment with the Company at any time and for any reason whatsoever simply by notifying the Company; and the Company may terminate your employment at any time, with or without cause or advance notice.

5. COMPLIANCE WITH OR EXEMPTION FROM SECTION 409A. It is intended that the benefits set forth in this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the Internal Revenue Code of 1986, as amended, (the "***Code***") (Section 409A, together with any state law of similar effect, "***Section 409A***") provided under Treasury Regulations 1.409A-1(b)(4), 1.409A-1(b)(5) and 1.409A-1(b)(9). With respect to reimbursements or in-kind benefits provided to you hereunder (or otherwise) that are not exempt from Section 409A, the following rules shall apply: (i) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during any one of your taxable years shall not affect the expenses eligible for reimbursement, or in-kind benefit to be provided in any other taxable year, (ii) in the case of any reimbursements of eligible expenses, reimbursement shall be made on or before the last day of your taxable year following the taxable year in which the expense was incurred, (iii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

6. DISPUTE RESOLUTION.

(a) Arbitration Agreement. To ensure the rapid and economical resolution of disputes that may arise in connection with your employment with the Company, you and the Company agree that any and all disputes, claims, or causes of action, in law or equity, including but not limited to statutory claims, arising from or relating to the enforcement, breach, performance, or interpretation of this Agreement, your employment with the Company, or the termination of your employment, shall be resolved pursuant to the Federal Arbitration Act, 9 U.S.C. § 1-16, to the fullest extent permitted by law, by final, binding and confidential arbitration conducted by JAMS, Inc. or its successor ("***JAMS***"), under JAMS' then applicable rules and procedures for employment disputes before a single arbitrator (available upon request and also currently available at http://www.jamsadr.com/rules-employment-arbitration/). **You acknowledge that by agreeing to this arbitration procedure, both you and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding**.

(b) Individual Claims. All claims, disputes, or causes of action under this section, whether by you or the Company, must be brought in an individual capacity, and shall not be brought as a plaintiff (or claimant) or class member in any purported class or representative proceeding, nor joined or consolidated with the claims of any other person or entity. The arbitrator may not consolidate the claims of more than one person or entity, and may not preside over any form of representative or class proceeding. To the extent that the preceding sentences regarding class claims or proceedings are found to violate applicable law or are otherwise found unenforceable, any claim(s) alleged or brought on behalf of a class shall proceed in a court of law rather than by arbitration. This paragraph shall not apply to any action or claim that cannot be subject to mandatory arbitration as a matter of law, including, without limitation, claims brought pursuant to the California Private Attorneys General Act of 2004, as amended, the California Fair Employment and Housing Act, as amended, and the California Labor Code, as amended, to the extent such claims are not permitted by applicable law to be submitted to mandatory arbitration and such applicable law(s) are not preempted by the Federal Arbitration Act or otherwise invalid (collectively, the "***Excluded Claims***"). In the event you intend to bring multiple claims, including one of the Excluded Claims listed above, the Excluded Claims may be publicly filed with a court, while any other claims will remain subject to mandatory arbitration.

(c) Process. You will have the right to be represented by legal counsel at any arbitration proceeding. Questions of whether a claim is subject to arbitration under this agreement shall be decided by the arbitrator. Likewise, procedural questions which grow out of the dispute and bear on the final disposition are also matters for the arbitrator. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written statement signed by the arbitrator regarding the disposition of each claim and the relief, if any, awarded as to each claim, the reasons for the award, and the arbitrator's essential findings and conclusions on which the award is based. The arbitrator shall be authorized to award all relief that you or the Company would be entitled to seek in a court of law. The Company shall pay all JAMS arbitration fees in excess of the administrative fees that you would be required to pay if the dispute were decided in a court of law.

(d) Injunctive Relief. Nothing in this letter agreement is intended to prevent either you or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Any awards or orders in such arbitrations may be entered and enforced as judgments in the federal and state courts of any competent jurisdiction.

7. MISCELLANEOUS. This Agreement, together with the other agreements referenced herein, forms the complete and exclusive statement of your employment agreement with the Company. It supersedes any other agreements or promises made to you by anyone, whether oral or written, including but not limited to the Offer Letter. Changes in your employment terms, other than those changes expressly reserved to the Company's or the Board's discretion in this Agreement, require a written modification approved by the Company and signed by a duly authorized officer of the Company (other than you). This Agreement will bind the heirs, personal representatives, successors and assigns of both you and the Company, and inure to the benefit of both you and the Company, their heirs, successors and assigns. If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, this determination shall not affect any other provision of this Agreement and the provision in question shall be modified so as to be rendered enforceable in a manner consistent with the intent of the parties insofar as possible under applicable law. This Agreement shall be construed and enforced in accordance with the laws of the State of California without regard to conflicts of law principles. Any ambiguity in this Agreement shall not be construed against either party as the drafter. Any waiver of a breach of this Agreement, or rights hereunder, shall be in writing and shall not be deemed to be a waiver of any successive breach or rights hereunder. This Agreement may be delivered and executed via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and shall be deemed to have been duly and validly delivered and executed and be valid and effective for all purposes.

SIGNATURE PAGE FOLLOWS

Please sign and date this Agreement and return a signed copy to me on or before June 20, 2021 to confirm your acceptance of this Agreement.

RANI MANAGEMENT SERVICES, INC.

/s/ Svai Sanford
Svai Sanford
Chief Financial Officer

Accepted and Agreed:

/s/ Talat Imran	June 20, 2021
Talat Imran	Date

RANI MANAGEMENT SERVICES, INC.

June 17, 2021

Mir Hashim
VIA EMAIL

Re: Amended and Restated Employment Agreement

Dear Mir:

You are currently employed by **RANI MANAGEMENT SERVICES, INC.** (the "***Company***") under the terms of an offer letter between you and the Company dated December 3, 2019 (the "***Offer Letter***"). The Company is amending and restating the terms of the Offer Letter to reflect your new employment terms as set forth in this employment agreement (the "***Agreement***"). Once you accept this Agreement by signing and returning it to the Company, this Agreement shall supersede and replace your Offer Letter in its entirety. This Agreement, together with the other documents and agreements referenced herein, shall then govern the terms of your employment with the Company.

1. EMPLOYMENT BY THE COMPANY.

(a) Position. You will continue to serve as the Company's Chief Scientific Officer.

(b) Duties and Location. You will continue to perform those duties and responsibilities as are customary for the position of Chief Scientific Officer and as may be directed by the Chief Executive Officer of the Company, to whom you will report. Your primary office location will be the Company's offices in San Jose, California. Notwithstanding the foregoing, the Company reserves the right to reasonably require you to perform your duties at places other than your primary office location from time to time, and to require reasonable business travel. Subject to the terms of this Agreement, the Company may modify your job title, duties, and reporting relationship as it deems necessary and appropriate in light of the Company's needs and interests from time to time.

(c) Outside Activities. Throughout your employment with the Company, you may engage in civic and not-for-profit activities so long as such activities do not interfere with the performance of your duties hereunder or present a conflict of interest with the Company. During your employment by the Company, except on behalf of the Company, you will not directly or indirectly serve as an officer, director, stockholder, employee, partner, proprietor, investor, joint venturer, associate, representative or consultant of any other person, corporation, firm, partnership or other entity whatsoever known by you to compete with the Company (or is planning or preparing to compete with the Company), anywhere in the world, in any line of business engaged in (or planned to be engaged in) by the Company; provided, however, that you may purchase or otherwise acquire up to (but not more than) one percent (1%) of any class of securities of any enterprise (but without participating in the activities of such enterprise) if such securities are listed on any national or regional securities exchange.

2. COMPENSATION AND BENEFITS.

(a) Base Salary. You are currently receiving a base salary of $400,000 per year, and your base salary will remain the same. In all cases, your base salary will be paid on the Company's ordinary payroll cycle, less applicable payroll deductions and withholdings. As an exempt salaried employee, you will be required to work the Company's normal business hours, and such additional time as appropriate for your work assignments and position, and you will not be entitled to overtime compensation.

(b) Employee Benefits. As a regular full-time employee, you will be eligible to participate in the Company's standard employee benefits offered to executive level employees, as in effect from time to time and subject to the terms and conditions of the benefit plans and applicable Company policies. A full description of these benefits is available upon request. Subject to the terms of this Agreement, the Company may change your compensation and benefits from time to time in its discretion.

(c) Annual Bonus. You are also eligible to earn an annual bonus with a target amount equal to 75% of your annual base salary. The terms of this bonus will be determined in the sole discretion of the Board of Directors of Rani Therapeutics Holdings, Inc. or the Compensation Committee thereof.

(d) Equity Compensation. During the term of your employment, you will be eligible to participate in the Rani Therapeutics Holdings, Inc. 2021 Equity Incentive Plan or any successor plan, subject to the terms of the Plan or successor plan, as determined by the Board of Directors of Rani Therapeutics Holdings, Inc. or its Compensation Committee, in its discretion.

(e) Severance and Change in Control Benefit Plan. You will be eligible to participate in the Rani Therapeutics Holdings, Inc. Severance and Change in Control Plan (the "***Severance Plan***") subject to the terms and conditions of the Severance Plan and your Participation Agreement (as defined in the Severance Plan). You acknowledge that any right to severance provided by other agreements or promises made to you by anyone, whether oral or written, is hereby extinguished.

(f) Expenses. The Company will reimburse you for reasonable travel, entertainment or other expenses incurred by you in furtherance of or in connection with the performance of your duties hereunder, in accordance with the Company's expense reimbursement policies and practices as in effect from time to time.

3. CONFIDENTIAL INFORMATION. As a Company employee, you will be expected to continue to abide by Company rules and policies including those rules and policies regarding the protection of the Company's confidential information. You are also required to execute the Company's standard form of Confidentiality Agreement, to be provided to you.

4. AT-WILL EMPLOYMENT RELATIONSHIP. Your employment relationship with the Company is at will. Accordingly, you may terminate your employment with the Company at any time and for any reason whatsoever simply by notifying the Company; and the Company may terminate your employment at any time, with or without cause or advance notice.

5. COMPLIANCE WITH OR EXEMPTION FROM SECTION 409A. It is intended that the benefits set forth in this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the Internal Revenue Code of 1986, as amended, (the "***Code***") (Section 409A, together with any state law of similar effect, "***Section 409A***") provided under Treasury Regulations 1.409A-1(b)(4), 1.409A-1(b)(5) and 1.409A-1(b)(9). With respect to reimbursements or in-kind benefits provided to you hereunder (or otherwise) that are not exempt from Section 409A, the following rules shall apply: (i) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during any one of your taxable years shall not affect the expenses eligible for reimbursement, or in-kind benefit to be provided in any other taxable year, (ii) in the case of any reimbursements of eligible expenses, reimbursement shall be made on or before the last day of your taxable year following the taxable year in which the expense was incurred, (iii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

6. DISPUTE RESOLUTION.

(a) Arbitration Agreement. To ensure the rapid and economical resolution of disputes that may arise in connection with your employment with the Company, you and the Company agree that any and all disputes, claims, or causes of action, in law or equity, including but not limited to statutory claims, arising from or relating to the enforcement, breach, performance, or interpretation of this Agreement, your employment with the Company, or the termination of your employment, shall be resolved pursuant to the Federal Arbitration Act, 9 U.S.C. § 1-16, to the fullest extent permitted by law, by final, binding and confidential arbitration conducted by JAMS, Inc. or its successor ("***JAMS***"), under JAMS' then applicable rules and procedures for employment disputes before a single arbitrator (available upon request and also currently available at http://www.jamsadr.com/rules-employment-arbitration/). **You acknowledge that by agreeing to this arbitration procedure, both you and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding**.

(b) Individual Claims. All claims, disputes, or causes of action under this section, whether by you or the Company, must be brought in an individual capacity, and shall not be brought as a plaintiff (or claimant) or class member in any purported class or representative proceeding, nor joined or consolidated with the claims of any other person or entity. The arbitrator may not consolidate the claims of more than one person or entity, and may not preside over any form of representative or class proceeding. To the extent that the preceding sentences regarding class claims or proceedings are found to violate applicable law or are otherwise found unenforceable, any claim(s) alleged or brought on behalf of a class shall proceed in a court of law rather than by arbitration. This paragraph shall not apply to any action or claim that cannot be subject to mandatory arbitration as a matter of law, including, without limitation, claims brought pursuant to the California Private Attorneys General Act of 2004, as amended, the California Fair Employment and Housing Act, as amended, and the California Labor Code, as amended, to the extent such claims are not permitted by applicable law to be submitted to mandatory arbitration and such applicable law(s) are not preempted by the Federal Arbitration Act or otherwise invalid (collectively, the "***Excluded Claims***"). In the event you intend to bring multiple claims, including one of the Excluded Claims listed above, the Excluded Claims may be publicly filed with a court, while any other claims will remain subject to mandatory arbitration.

(c) Process. You will have the right to be represented by legal counsel at any arbitration proceeding. Questions of whether a claim is subject to arbitration under this agreement shall be decided by the arbitrator. Likewise, procedural questions which grow out of the dispute and bear on the final disposition are also matters for the arbitrator. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written statement signed by the arbitrator regarding the disposition of each claim and the relief, if any, awarded as to each claim, the reasons for the award, and the arbitrator's essential findings and conclusions on which the award is based. The arbitrator shall be authorized to award all relief that you or the Company would be entitled to seek in a court of law. The Company shall pay all JAMS arbitration fees in excess of the administrative fees that you would be required to pay if the dispute were decided in a court of law.

(d) Injunctive Relief. Nothing in this letter agreement is intended to prevent either you or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Any awards or orders in such arbitrations may be entered and enforced as judgments in the federal and state courts of any competent jurisdiction.

7. MISCELLANEOUS. This Agreement, together with the other agreements referenced herein, forms the complete and exclusive statement of your employment agreement with the Company. It supersedes any other agreements or promises made to you by anyone, whether oral or written, including but not limited to the Offer Letter. Changes in your employment terms, other than those changes expressly reserved to the Company's or the Board's discretion in this Agreement, require a written modification approved by the Company and signed by a duly authorized officer of the Company (other than you). This Agreement will bind the heirs, personal representatives, successors and assigns of both you and the Company, and inure to the benefit of both you and the Company, their heirs, successors and assigns. If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, this determination shall not affect any other provision of this Agreement and the provision in question shall be modified so as to be rendered enforceable in a manner consistent with the intent of the parties insofar as possible under applicable law. This Agreement shall be construed and enforced in accordance with the laws of the State of California without regard to conflicts of law principles. Any ambiguity in this Agreement shall not be construed against either party as the drafter. Any waiver of a breach of this Agreement, or rights hereunder, shall be in writing and shall not be deemed to be a waiver of any successive breach or rights hereunder. This Agreement may be delivered and executed via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and shall be deemed to have been duly and validly delivered and executed and be valid and effective for all purposes.

SIGNATURE PAGE FOLLOWS

Please sign and date this Agreement and return a signed copy to me on or before June 20, 2021 to confirm your acceptance of this Agreement.

RANI MANAGEMENT SERVICES, INC.

/s/ Svai Sanford
Svai Sanford
Chief Financial Officer

Accepted and Agreed:

/s/ Mir Hashim	June 20, 2021
Mir Hashim	Date

RANI MANAGEMENT SERVICES, INC.

June 17, 2021

Svai Sanford
VIA EMAIL

Re: Amended and Restated Employment Agreement

Dear Svai:

You are currently employed by **RANI MANAGEMENT SERVICES, INC.** (the "***Company***") under the terms of an offer letter between you and InCube Labs LLC dated October 18, 2018 (the "***2018 Offer Letter***") and an offer letter between you and the Company dated December 2, 2019 (the "***2019 Offer Letter***") (collectively, the "***Offer Letters***"). The Company is amending and restating the terms of the Offer Letters to reflect your new employment terms as set forth in this employment agreement (the "***Agreement***"). Once you accept this Agreement by signing and returning it to the Company, this Agreement shall supersede and replace the Offer Letters in their entirety. This Agreement, together with the other documents and agreements referenced herein, shall then govern the terms of your employment with the Company.

1. EMPLOYMENT BY THE COMPANY.

(a) Position. You will continue to serve as the Company's Chief Financial Officer.

(b) Duties and Location. You will perform those duties and responsibilities as are customary for the position of Chief Financial Officer and as may be directed by the Chief Executive Officer of the Company, to whom you will report. Your primary office location will be the Company's offices in San Jose, California. Notwithstanding the foregoing, the Company reserves the right to reasonably require you to perform your duties at places other than your primary office location from time to time, and to require reasonable business travel. Subject to the terms of this Agreement, the Company may modify your job title, duties, and reporting relationship as it deems necessary and appropriate in light of the Company's needs and interests from time to time.

(c) Outside Activities. Throughout your employment with the Company, you may engage in civic and not-for-profit activities so long as such activities do not interfere with the performance of your duties hereunder or present a conflict of interest with the Company. During your employment by the Company, except on behalf of the Company, you will not directly or indirectly serve as an officer, director, stockholder, employee, partner, proprietor, investor, joint venturer, associate, representative or consultant of any other person, corporation, firm, partnership or other entity whatsoever known by you to compete with the Company (or is planning or preparing to compete with the Company), anywhere in the world, in any line of business engaged in (or planned to be engaged in) by the Company; provided, however, that you may purchase or otherwise acquire up to (but not more than) one percent (1%) of any class of securities of any enterprise (but without participating in the activities of such enterprise) if such securities are listed on any national or regional securities exchange.

2. COMPENSATION AND BENEFITS.

(a) Base Salary. You are currently receiving a base salary of $350,000 per year. Effective June 17, 2021, your base salary will be automatically increased to $400,000 per year. In all cases, your base salary will be paid on the Company's ordinary payroll cycle, less applicable payroll deductions and withholdings. As an exempt salaried employee, you will be required to work the Company's normal business hours, and such additional time as appropriate for your work assignments and position, and you will not be entitled to overtime compensation.

(b) Employee Benefits. As a regular full-time employee, you will be eligible to participate in the Company's standard employee benefits offered to executive level employees, as in effect from time to time and subject to the terms and conditions of the benefit plans and applicable Company policies. A full description of these benefits is available upon request. Subject to the terms of this Agreement, the Company may change your compensation and benefits from time to time in its discretion.

(c) Annual Bonus. You are also eligible to earn an annual bonus with a target amount equal to 75% of your annual base salary. The terms of this bonus will be determined in the sole discretion of the Board of Directors of Rani Therapeutics Holdings, Inc. or the Compensation Committee thereof.

(d) Equity Compensation. During the term of your employment, you will be eligible to participate in the Rani Therapeutics Holdings, Inc. 2021 Equity Incentive Plan or any successor plan, subject to the terms of the Plan or successor plan, as determined by the Board of Directors of Rani Therapeutics Holdings, Inc. or its Compensation Committee, in its discretion.

(e) Severance Benefits. Subject to Section 2(f) below, if your employment with the Company terminates without Cause (as defined below), and if you execute a severance agreement and release satisfactory to the Company releasing the Company and its affiliates, employees and agents from all claims related to your employment with the Company and its affiliates and the termination of such employment, the Company will (i) pay you your normal base salary then in effect for six (6) months after such termination; (ii) reimburse you for the cost of acquiring health benefits for you and your family through COBRA for six (6) months after such termination; and (iii) continue vesting all Profits Interest Grants made pursuant to the Rani Therapeutics, LLC 2016 Equity Incentive Plan (other than any Profits Interest Grants made to you after February 2021) for six (6) months after such termination. For purposes of this Agreement, "***Cause***" means (A) your commission of any act of fraud, embezzlement or dishonesty or conviction of a felony; (B) material failure by you to comply with a directive of the Company's Chief Executive Officer, if such failure continues for thirty (30) days after the written notice of the failure is delivered to you; (C) breach by you of any material term of this Agreement, which remains uncorrected for thirty (30) days following delivery of written notice of the breach to you; (D) gross negligence or willful misconduct by you in the performance of the duties and services required of you pursuant to this Agreement; (E) any unauthorized use or disclosure of confidential information or trade secrets of the Company, or any other gross misconduct that adversely affects the business or affairs of the Company; (F) material violation of Company policy, as set forth in the Company's employee handbook; or (G) solicitation, directly or indirectly, of any employee, customer, or supplier of the Company to work against the Company's interests, or knowingly taking any other action that may cause any such employee, customer, or supplier to terminate or adversely alter his, her or its relationship with the Company, against the Company's interests.

(f) Severance and Change in Control Benefit Plan. Effective as of the date of the underwriting agreement between Rani Therapeutics Holdings, Inc. ("***Holdings***") and the underwriter(s) managing the initial public offering of Holding's Class A common stock pursuant to which the Class A common stock is priced for the initial public offering (such date, the "***IPO Date***"), you will be eligible to participate in the Rani Therapeutics Holdings, Inc. Severance and Change in Control Plan (the "***Severance Plan***") subject to the terms and conditions of the Severance Plan and your Participation Agreement (as defined in the Severance Plan). You acknowledge that, as of the effectiveness of the Severance Plan on the IPO Date, any other right to severance provided by this Agreement (including Section 2(e) above) or any other agreements or promises made to you by anyone, whether oral or written, will be extinguished.

(g) Expenses. The Company will reimburse you for reasonable travel, entertainment or other expenses incurred by you in furtherance of or in connection with the performance of your duties hereunder, in accordance with the Company's expense reimbursement policies and practices as in effect from time to time.

3. CONFIDENTIAL INFORMATION. As a Company employee, you will be expected to continue to abide by Company rules and policies including those rules and policies regarding the protection of the Company's confidential information. You are also required to execute the Company's standard form of Confidentiality Agreement, to be provided to you.

4. AT-WILL EMPLOYMENT RELATIONSHIP. Your employment relationship with the Company is at will. Accordingly, you may terminate your employment with the Company at any time and for any reason whatsoever simply by notifying the Company; and the Company may terminate your employment at any time, with or without cause or advance notice.

5. COMPLIANCE WITH OR EXEMPTION FROM SECTION 409A. It is intended that the benefits set forth in this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the Internal Revenue Code of 1986, as amended, (the "***Code***") (Section 409A, together with any state law of similar effect, "***Section 409A***") provided under Treasury Regulations 1.409A-1(b)(4), 1.409A-1(b)(5) and 1.409A-1(b)(9). With respect to reimbursements or in-kind benefits provided to you hereunder (or otherwise) that are not exempt from Section 409A, the following rules shall apply: (i) the amount of expenses eligible for reimbursement, or in-kind benefits provided, during any one of your taxable years shall not affect the expenses eligible for reimbursement, or in-kind benefit to be provided in any other taxable year, (ii) in the case of any reimbursements of eligible expenses, reimbursement shall be made on or before the last day of your taxable year following the taxable year in which the expense was incurred, (iii) the right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

6. DISPUTE RESOLUTION.

(a) Arbitration Agreement. To ensure the rapid and economical resolution of disputes that may arise in connection with your employment with the Company, you and the Company

agree that any and all disputes, claims, or causes of action, in law or equity, including but not limited to statutory claims, arising from or relating to the enforcement, breach, performance, or interpretation of this Agreement, your employment with the Company, or the termination of your employment, shall be resolved pursuant to the Federal Arbitration Act, 9 U.S.C. § 1-16, to the fullest extent permitted by law, by final, binding and confidential arbitration conducted by JAMS, Inc. or its successor ("***JAMS***"), under JAMS' then applicable rules and procedures for employment disputes before a single arbitrator (available upon request and also currently available at http://www.jamsadr.com/rules-employment-arbitration/). **You acknowledge that by agreeing to this arbitration procedure, both you and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding**.

(b) Individual Claims. All claims, disputes, or causes of action under this section, whether by you or the Company, must be brought in an individual capacity, and shall not be brought as a plaintiff (or claimant) or class member in any purported class or representative proceeding, nor joined or consolidated with the claims of any other person or entity. The arbitrator may not consolidate the claims of more than one person or entity, and may not preside over any form of representative or class proceeding. To the extent that the preceding sentences regarding class claims or proceedings are found to violate applicable law or are otherwise found unenforceable, any claim(s) alleged or brought on behalf of a class shall proceed in a court of law rather than by arbitration. This paragraph shall not apply to any action or claim that cannot be subject to mandatory arbitration as a matter of law, including, without limitation, claims brought pursuant to the California Private Attorneys General Act of 2004, as amended, the California Fair Employment and Housing Act, as amended, and the California Labor Code, as amended, to the extent such claims are not permitted by applicable law to be submitted to mandatory arbitration and such applicable law(s) are not preempted by the Federal Arbitration Act or otherwise invalid (collectively, the "***Excluded Claims***"). In the event you intend to bring multiple claims, including one of the Excluded Claims listed above, the Excluded Claims may be publicly filed with a court, while any other claims will remain subject to mandatory arbitration.

(c) Process. You will have the right to be represented by legal counsel at any arbitration proceeding. Questions of whether a claim is subject to arbitration under this agreement shall be decided by the arbitrator. Likewise, procedural questions which grow out of the dispute and bear on the final disposition are also matters for the arbitrator. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written statement signed by the arbitrator regarding the disposition of each claim and the relief, if any, awarded as to each claim, the reasons for the award, and the arbitrator's essential findings and conclusions on which the award is based. The arbitrator shall be authorized to award all relief that you or the Company would be entitled to seek in a court of law. The Company shall pay all JAMS arbitration fees in excess of the administrative fees that you would be required to pay if the dispute were decided in a court of law.

(d) Injunctive Relief. Nothing in this letter agreement is intended to prevent either you or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Any awards or orders in such arbitrations may be entered and enforced as judgments in the federal and state courts of any competent jurisdiction.

7. MISCELLANEOUS. This Agreement, together with the other agreements referenced herein, forms the complete and exclusive statement of your employment agreement with the Company. It supersedes any other agreements or promises made to you by anyone, whether oral or written, including but not limited to the Offer Letters. Changes in your employment terms, other than those changes expressly reserved to the Company's or the Board's discretion in this Agreement, require a written modification approved by the Company and signed by a duly authorized officer of the Company (other than you). This Agreement will bind the heirs, personal representatives, successors and assigns of both you and the Company, and inure to the benefit of both you and the Company, their heirs, successors and assigns. If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, this determination shall not affect any other provision of this Agreement and the provision in question shall be modified so as to be rendered enforceable in a manner consistent with the intent of the parties insofar as possible under applicable law. This Agreement shall be construed and enforced in accordance with the laws of the State of California without regard to conflicts of law principles. Any ambiguity in this Agreement shall not be construed against either party as the drafter. Any waiver of a breach of this Agreement, or rights hereunder, shall be in writing and shall not be deemed to be a waiver of any successive breach or rights hereunder. This Agreement may be delivered and executed via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act or other applicable law) or other transmission method and shall be deemed to have been duly and validly delivered and executed and be valid and effective for all purposes.

SIGNATURE PAGE FOLLOWS

Please sign and date this Agreement and return a signed copy to me on or before June 20, 2021 to confirm your acceptance of this Agreement.

RANI MANAGEMENT SERVICES, INC.

/s/ Talat Imran
Talat Imran
Chief Executive Officer

Accepted and Agreed:

/s/ Svai Sanford	June 20, 2021
Svai Sanford	Date

Exhibit 21.1

List of subsidiaries of Rani Therapeutics Holdings, Inc.

Name of Subsidiary	Jurisdiction of Organization
Rani Therapeutics, LLC	California, United States of America
Rani Management Services, Inc.	Delaware, United States of America

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption “Experts” and to the use of our report dated April 26, 2021, in the Registration Statement (Form S-1) and related Prospectus of Rani Therapeutics Holdings, Inc. dated July 9, 2021.

/s/ Ernst & Young LLP

Redwood City, California
July 9, 2021

Exhibit 23.2

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption “Experts” and to the use of our report dated April 26, 2021, with respect to the consolidated financial statements of Rani Therapeutics, LLC included in the Registration Statement (Form S-1) and related Prospectus of Rani Therapeutics Holdings, Inc. dated July 9, 2021.

/s/ Ernst & Young LLP

Redwood City, California
July 9, 2021