Confidential Draft Submission No. 3 submitted to the U.S. Securities and Exchange Commission on August 29, 2024.
This draft registration statement has not been filed publicly with the Securities and Exchange Commission and all information contained herein remains confidential.

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-1
REGISTRATION STATEMENT

UNDER
THE SECURITIES ACT OF 1933

Cerebras Systems Inc.

(Exact name of registrant as specified in its charter)

Delaware	3674	81-2256092
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

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(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

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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, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

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

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

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, or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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 where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED , 2024

PRELIMINARY PROSPECTUS



Shares

Cerebras Systems Inc.

Common Stock

$ per share

This is the initial public offering of our common stock and no public market currently exists for shares of our common stock. We are selling shares of our common stock. We currently expect the initial public offering price to be between $ and $ per share of common stock.

We intend to grant the underwriters an option to purchase up to additional shares of our common stock to cover over-allotments, if any, at the initial public offering price less the underwriting discount.

We intend to apply to list our common stock on the under the symbol "CBRS."

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

Investing in our common stock involves risks. See "Risk Factors" beginning on page 19 to read about factors you should consider before deciding to invest in our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

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

(1) See the section titled "Underwriting" for a description of the compensation payable to the underwriters.

The underwriters expect to deliver the shares to purchasers on or about , 2024 through the book-entry facilities of The Depository Trust Company.

Citigroup **Barclays**

UBS Investment Bank **Wells Fargo Securities**

Mizuho **TD Cowen**

Needham & Company **Craig-Hallum** **Wedbush Securities** **Rosenblatt** **Academy Securities**

, 2024

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Through and including , 2024 (the 25th day after the date of this prospectus), all dealers that buy, sell, or trade shares of our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to the obligation of dealers to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

As used in this prospectus, unless the context otherwise requires, references to "Cerebras Systems," "Cerebras," the "company," "we," "us," "our," and similar terms refer to Cerebras Systems Inc. and, where appropriate, its subsidiaries, taken as a whole.

"Cerebras," "Cerebras Systems," the Cerebras logos, and other trade names, trademarks, or service marks of Cerebras appearing in this prospectus are the property of Cerebras Systems Inc. Other trade names, trademarks, or service marks appearing in this prospectus are the property of their respective holders. Solely for convenience, trade names, trademarks, and service marks referred to in this prospectus appear without the ®, ™, and SM symbols, but those references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or that the applicable owner will not assert its rights, to these trade names, trademarks, and service marks.

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.

References to *www.cerebras.ai* in this prospectus are inactive textual references only, and the information contained on, or that can be accessed through, our website does not constitute part of this prospectus.

We have not, and the underwriters have not, authorized anyone to provide you any information or to make any representations other than those contained in this prospectus or in any free writing prospectus prepared by or on behalf of us or to which we have referred you. Neither we nor the underwriters take responsibility for, or provide any assurance as to the reliability of, any other information others may give you. This prospectus is an offer to sell only the shares offered hereby, and only under circumstances and in jurisdictions where it is lawful to do so. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of the shares of our common stock. Our business, financial condition, results of operations, and prospects may have changed since that date.

For investors outside the United States: We have not, and the underwriters have not, done anything that would permit this offering or the possession or distribution of this prospectus or any free writing prospectus in connection with this offering in any jurisdiction where action for that purpose is required, other than in the United States. Persons outside 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 our common stock and the distribution of this prospectus outside the United States. See the section titled "Underwriting" for additional information.

GLOSSARY OF CERTAIN TERMS

The following are abbreviations, acronyms, and definitions of certain terms used in this prospectus:

- "8-way GPU system" means a single, salable system within which eight GPUs are connected. Examples of an 8-way GPU system include the NVIDIA DGX and HGX system configurations.
- "AI" stands for artificial intelligence. AI includes GenAI and other artificial intelligence tools, systems, products and related technologies.
- "API" stands for Application Programming Interface. An API is a set of rules, protocols, and tools that allow different software applications to communicate and interact with each other.
- "Chassis" means the metal frame that supports and houses the components of an electronic device, including the circuits that connect the components.
- "CPU" stands for Central Processing Unit. A CPU is the brain of a computer, responsible for executing instructions and carrying out computations. It is a complex IC that fetches, decodes, and executes instructions, typically from main memory under the control of software programs.
- "CSP" stands for Cloud Service Provider, a company that offers various computing services, such as storage, processing power, and applications, over the internet.
- "CUDA" stands for Compute Unified Device Architecture. It is a parallel computing platform and programming model developed by NVIDIA, enabling developers to program NVIDIA GPUs directly at a low level of abstraction.
- "Customers" refers to our end customers. When the context requires, we may use "end customers," which include leading enterprises, Sovereign AI initiatives, cloud service providers, government agencies, and research institutions. When used in our audited consolidated financial statements included elsewhere in this prospectus, "customers" means parties we directly invoice for products or services.
- "Ethernet" refers to a standardized network protocol used in data centers and other environments to connect servers, switches, and other devices in a Local Area Network (LAN). Ethernet standards also include features for security and network diagnostics.
- "Fine-tuning" is a process in machine learning where a pre-trained model is further trained on a smaller, task-specific dataset to improve its performance on a specific task. Fine-tuning leverages the knowledge already learned by the model during the initial training phase, allowing it to adapt quickly and effectively to new but related tasks.
- "FLOPS" stands for Floating Point Operations Per Second. It is a measure of a computer's performance, specifically its ability to perform floating-point arithmetic operations (such as addition, subtraction, multiplication, and division) within one second.
- "GenAI" stands for generative AI. GenAI is a type of AI technology that can produce various types of content, including text, imagery, audio, and synthetic data.
- "GPU" stands for Graphic Processing Unit. GPU is a specialized IC with a high degree of parallelism used to accelerate the rendering of complex graphics onto a screen. Due to their ability to perform numerous computations simultaneously, GPUs outperform CPUs on certain tasks and are increasingly used for scientific computing and accelerating AI workloads, such as the training of large language models.

- “HBM” stands for High Bandwidth Memory. HBM is a type of computer memory designed to provide high bandwidth and low latency for GPUs, other AI accelerators, and CPUs. HBM is significantly faster and more expensive than traditional DRAM memory and is typically integrated within the IC package.

- “HPC” stands for high performance computing. HPC involves using powerful computing systems to perform complex tasks quickly and efficiently, often through parallel processing. HPC is used in applications such as scientific research, weather forecasting, and financial modeling.

- “HuggingFace” is a machine learning and data science platform that enables users to build, train and deploy ML models using open-source code and technologies. It provides tools and libraries for developing ML models and integrating them into live applications. It is a popular and leading open-source repository of AI models and pretrained model checkpoints.

- “Hyperscalers” means large technology companies that offer highly scalable cloud computing services, utilizing extensive data centers. They offer a wide range of dynamically-provisioned services, including computing infrastructure, software platforms, and, increasingly, AI model training and inferencing. These services are available on an as-needed basis, managed and scaled via software by the users.

- “IC” stands for an Integrated Circuit. IC is a miniaturized electronic circuit that combines multiple transistor components and other elements into a single small package. ICs are the fundamental building blocks of modern electronics, and they are used in a wide variety of applications, including computers, servers, networking equipment, smartphones, automobiles, and medical devices.

- “Inference” means the process of using a trained machine learning model to make predictions or decisions based on new data. It involves applying the patterns and knowledge the model learned during training to analyze and interpret new, unseen inputs.

- “I/O” stands for input/output.

- “IT” stands for information technology.

- “LLM” stands for Large Language Model. LLMs are a class of artificial intelligence models that are trained on vast amounts of text data to understand, interpret, and generate human-like language.

- “ML” stands for Machine Learning, a subset of artificial intelligence that involves developing algorithms and statistical models that enable computers to perform specific tasks without explicit programming.

- “MW” stands for megawatt.

- “Node” has multiple meanings:

    - In the context of AI models, a node in a neural network typically means a computational unit within the network graph. Neural networks consist of interconnected layers of nodes, each representing a mathematical operation that transforms input data into meaningful output.

    - In the context of chip manufacturing, “node” is often used as shorthand for “process node,” which refers to specific semiconductor manufacturing processes corresponding to different circuit generations and architectures, for example, 14nm and 5nm nodes.

    - In the context of a supercomputer or computer cluster, a “node” refers to one individual server or system within the cluster.

- “PCIe” stands for Peripheral Component Interconnect Express. PCIe is a high-speed serial data transfer technology widely used in servers. The PCIe protocol is commonly used in data centers for interconnects between CPUs, GPUs, other AI accelerators, storage devices, and Network Interface Cards.

- “Rack” means an open-frame cabinet of standard dimensions used to organize and house servers, networking equipment, power supplies, and other IT hardware. A data center typically houses thousands of racks interconnected by networking switches typically using Ethernet protocol.

- “Sovereign AI” refers to AI systems that are developed, controlled, and managed by a particular nation or established in furtherance of such nation’s public interests.

- “SRAM” stands for Static Random-Access Memory. SRAM is a type of memory that stores data within transistors so long as power is being supplied. Compared to DRAM (Dynamic Random-Access Memory), another common type of RAM used in computers, SRAM is faster and consumes less power during active use. However, it is more expensive and takes up more space than DRAM due to its complex architecture. SRAM is often used on-chip in processors for cache memory because of its speed and efficiency, providing quick access to frequently used data.

- “Tape-out” is the final phase of the chip design process for integrated circuits, where the completed design is released to manufacturing.

- “Time-to-solution” refers to the time period from creation of a customer problem statement to delivery of a model solution with high performance on evaluation metrics. Time-to-solution generally includes the time to train a model, as well as data preprocessing, experiment setup, hyperparameter tuning and evaluation runs, and any required adjustments based on results.

- “Training” refers to the process of teaching an artificial intelligence model to make accurate predictions or decisions by feeding it large amounts of data and adjusting its internal parameters based on identified patterns. During training, the AI model uses algorithms to learn from the input data, iteratively refining its accuracy by adapting its behavior to minimize errors.

- “TSMC” stands for Taiwan Semiconductor Manufacturing Company Limited.

- “Wafer” means a thin slice of a semiconductor material, typically made of silicon, upon which integrated circuits are fabricated. Wafers serve as the foundation for the production of electronic components, including microchips and microprocessors.

- “x86” refers to a family of instruction set architectures based on the Intel 8086 CPU and its successors. The x86 architecture is widely used in personal computers and servers due to its compatibility, performance, and extensive software ecosystem.

PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus. This summary does not contain all of the information that you should consider before deciding to invest in our common stock. You should read this entire prospectus carefully, including the sections titled "Risk Factors," "Special Note Regarding Forward-Looking Statements," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Business," and our consolidated financial statements and related notes included elsewhere in this prospectus before making an investment decision.

Our Mission

We believe AI is the most transformative technology of our generation. Our mission is to accelerate AI by making it faster, easier to use, and more energy efficient, making AI accessible around the world.

Company Overview

Cerebras is an AI company. We design processors for AI training and inference. We build AI systems to power, cool, and feed the processors data. We develop software to link these systems together into industry-leading supercomputers that are simple to use, even for the most complicated AI work, using familiar ML frameworks like PyTorch. Customers use our supercomputers to train industry-leading models. We use these supercomputers to run inference at speeds unobtainable on alternative commercial technologies. We deliver these AI capabilities to our customers on premise and via the cloud.

AI compute is comprised of training and inference. For training, many of our customers have achieved over 10 times faster training time-to-solution compared to leading 8-way GPU systems of the same generation and have produced their own state-of-the-art models. For inference, we deliver over 10 times faster output generation speeds than GPU-based solutions from top CSPs, as benchmarked on leading open-source models. This enables real-time interactivity for AI applications and the development of smarter, more capable AI agents. The Cerebras solution requires less infrastructure, is simpler to use, and consumes less power than leading GPU architectures. It enables faster development and eliminates the complex distributed compute work required when using thousands of GPUs. Cerebras democratizes AI, enabling organizations that have less in-house AI or distributed computing expertise to leverage the full potential of AI.

The rise of AI presents a unique set of compute challenges. Unlike other computational workloads, both training and inference require a huge number of relatively simple calculations, the results of which necessitate constant movement to and from memory, and to and from millions or tens of millions of compute cores. This traditionally demands hundreds or thousands of chips, and puts tremendous pressure on memory, memory bandwidth, and the communication fabric linking them all together.

Cerebras started with a simple question: How can we design a processor, purpose-built to meet these exact challenges? If we were to start with a clean sheet, how would we avoid carrying forward the tradeoffs made for graphics and other workloads, and ensure that every transistor is optimized for the specific challenges presented by AI?

Our answer is wafer-scale integration. Cerebras solved a problem that was open for the entire 75-year history of the computer industry: building chips the size of full silicon wafers. The third-generation Cerebras Wafer-Scale Engine (the "WSE-3") is the largest chip ever sold. It is 57 times larger than the leading commercially available GPU. It has 52 times more compute cores, 880 times more on-chip memory (44 gigabytes), and 7,000 times more memory bandwidth (21 petabytes per second). The sheer size of the wafer-scale chip allows us to keep more work on-silicon and minimize the time-consuming, power-hungry movement of data. This enables Cerebras customers to solve problems in less time and using less power. Our AI compute platform combines processors, systems, software, and AI expert services, to deliver massive acceleration on even the largest, most capable AI models. It substantially reduces training times and inference latencies, while reducing programming complexity.

Our business model is designed to meet the needs of our customers. Organizations seeking control over their data and AI compute infrastructure can purchase Cerebras AI supercomputers for on-premise deployment. Those that want the flexibility of a cloud-based platform can purchase Cerebras high-performance AI compute via a consumption-based model through the Cerebras Cloud, or via our partner's cloud. We offer customers the flexibility to choose the solution that best aligns with their budgetary, security, and scalability requirements, and some customers choose to use both options simultaneously.

We have established a growing set of customer engagements spanning CSPs, leading enterprises, Sovereign AI programs, national laboratories, research institutions, and other innovators at the forefront of AI. While a substantial portion of our current business is supported by one primary customer, we are actively seeking to expand our reach and diversify our customer base. We collaborate with our customers to harness the power of AI to tackle their most significant challenges and drive breakthroughs across industries.

Bloomberg Intelligence estimates that the AI market will grow to $1.3 trillion by 2032. Consumer and enterprise models like Google's Gemini, Meta's Llama, and OpenAI's ChatGPT have driven demand for AI infrastructure training and inference solutions, powering AI applications such as specialized assistants, agents, and services. We believe that our AI compute platform addresses a large and growing AI hardware and software opportunity across training and inference, as well as software and expert services. We believe that further adoption of AI, accelerated by the advent of GenAI, and the widespread integration of AI into business processes, will rapidly expand our total addressable market ("TAM") from an estimated $131 billion in 2024 to $453 billion by 2027, a compounded annual growth rate ("CAGR") of 51%.

We have experienced rapid growth, with revenue of $78.7 million and $24.6 million for the years ended December 31, 2023 and 2022, respectively, representing year-over-year growth of 220%. During the six months ended June 30, 2024 and 2023, we generated $136.4 million and $8.7 million in revenue, respectively. Since our inception, we have incurred operating losses and negative cash flows to develop, market, and expand our product portfolio and to continue our research and development activities. Our net loss for the years ended December 31, 2023 and 2022 was $127.2 million and $177.7 million, respectively, representing a year-over-year reduction of 28%. Our net loss for the six months ended June 30, 2024 and 2023 was $66.6 million and $77.8 million, respectively, representing a year-over-year reduction of 14%.

Industry Background

Over the past 40 years, the computer industry has followed a clear pattern: as major new computational workloads with distinct characteristics emerged, so too have new compute architectures. With each new compute paradigm, technologists first attempted to adapt existing compute architectures to these workloads. But in each case, a new purpose-built architecture was ultimately needed to unlock the potential of the new paradigm.

We believe this pattern is continuing with the rise of AI – the next major compute workload. This growth has been accelerated by the emergence of GenAI, a new class of powerful AI models that can create new content and reason across broad domains and multiple data types. These breakthrough capabilities translate to tremendous potential value creation and have driven rapid GenAI adoption.

The Computational Demands of Training and Inference

Both training and inference demand immense compute, each with unique compute, memory, and memory bandwidth requirements. They represent two stages in the continuous lifecycle of AI models. Once trained, a model is "served" in production and used for inference. As part of this cycle, models in production are continuously being optimized to use fewer compute resources, and while that is happening, new and more powerful models are being trained, leading to the eventual obsolescence of the previous model—starting the cycle over.

For training, the compute required is a function of a model's size (number of parameters) and the amount of data used (number of tokens). The most capable GenAI models today have trillions of parameters and are trained on

trillions of tokens. As the industry has pushed to achieve greater AI capabilities, the size of GenAI models has grown, and we expect this trend to continue.

The increase in model and data sizes has led to a dramatic surge in computational demand. Today, training for GenAI requires enormous GPU clusters, sophisticated engineering teams, and months of time for a single run. A training run can cost over a hundred million dollars, and improving the model and keeping it fresh with new data requires additional fine-tuning and regular re-training.

For inference, the required compute is a function of both model size and user demand. Each user request increases compute needs, creating high and ongoing operational costs. Additionally, the larger the model, the slower it runs during inference, creating a direct tradeoff between model capability and user experience. As inference speeds improve, larger GenAI models can be deployed in a responsive manner, expanding their use in real-time applications and agent-based systems, and opening even larger market opportunities.

Existing Compute Architectures Are Fundamentally Limited for GenAI Training and Inference

GPUs, though better than CPUs for AI workloads, face fundamental limitations when processing the unique characteristics of large GenAI models. GenAI models are complex, interconnected compute graphs that require the constant communication of intermediate calculations to train. This requires a high amount of data movement to and from memory and across cores. Similarly, during inference, these models generate outputs sequentially – each dependent on the previous output – requiring the full model to be constantly moved in and out of memory to produce successive outputs, and again requiring massive data movement between cores and memory. GPUs face inherent scalability and complexity challenges when faced with the distinct, communication-heavy requirements of GenAI workloads.

For Training – Individual GPUs Are Too Small, and Scaling to Many GPUs is Highly Inefficient

Large GenAI models far exceed the memory and processing limits of a single GPU. For example, to train GPT-3, it would take a single NVIDIA H100 more than eight years of running at peak theoretical performance to train the model. Recent models like GPT-4 and Gemini are over 10 times larger in parameter size than GPT-3. Consequently, training a large GenAI model on GPUs in a tractable amount of time requires breaking up the model and calculations, and distributing the pieces across hundreds or thousands of GPUs, creating extreme communication bottlenecks and power inefficiencies.

This distributed compute problem also creates a high level of complexity for developers, who are responsible for partitioning and coordinating the compute, memory, and communication across GPUs, so that they can work together in a complex choreography. This is an ongoing cost and slows down time-to-solution, as the delicate balance of bottlenecks needs to be reconfigured every time the ML developer wants to change the model architecture, model size, or run on a different number of GPUs.

For Inference – GPU Efficiency is Low and Limited by Memory Bandwidth

During generative inference, the full model must be run for each word that is generated. Since large models exceed on-chip GPU memory, this requires frequent data movement to and from off-chip memory. GPUs have relatively low memory bandwidth, meaning that the rate at which they can move information from off-chip HBM to on-chip SRAM, where the computation is done, is severely limited. This leads to low performance as GPUs cores are idle while waiting for data – they can run at less than 5% utilization on interactive generative inference tasks. Low utilization and limited memory bandwidth impact the responsiveness and throughput of GPU-based systems and hinders real-time applications for larger models. This inefficiency also necessitates larger GPU deployments and dramatically drives up the cost of inference.

GPU companies have tried to address these challenges, but the issues of small core count, memory size, and memory bandwidth are fundamental hardware limitations that persist. Interconnect technologies like InfiniBand, PCIe, and NVLink are limited by their physical interfaces, and moving data across them is thousands of times

slower and more power-hungry than keeping the data on silicon. Software libraries intended to simplify distributed computing still require developers to manage complex parallelism strategies and extensive codebases. Realizing the physical challenges of repurposing small chips for a large compute problem, the GPU industry has recently announced new multi-chip packaging techniques, but these also yield only minimal expansions of GPU chip size.

Accelerating GenAI requires a dedicated compute solution, designed for the unique requirements of GenAI, that can deliver faster training times, real-time inference speeds, and simple developer workflows, at reasonable cost.

Our Solution

We believe Cerebras has built the world's fastest commercially available AI training and inference solution. Our dedicated AI hardware and software platform is powered by the Cerebras Wafer-Scale Engine – a processor the size of an entire silicon wafer that brings more on-chip compute, memory, and bandwidth resources together than any other commercially available processor in the semiconductor industry. A single WSE replaces a cluster of GPUs, reducing the time-consuming, power-hungry movement of data, removing the need for complex distributed programming, and providing exceptional compute speed. Our solution consists of the following elements:

- ***Cerebras Wafer-Scale Engine (WSE).*** Our third generation WSE, the WSE-3, is 57 times larger than the leading commercially available GPU and has 52 times more compute cores, totaling 900,000. It features 880 times more on-chip memory (44 gigabytes SRAM) and 7,000 times more memory bandwidth (21 petabytes per second) than the leading commercially available GPU. The immense scale of the WSE delivers significant acceleration, efficiency, and simplicity for AI training and inference.

  For Training. Each Cerebras WSE has enough compute and on-chip memory to run even the largest, multi-trillion parameter GenAI models on a single chip, thus avoiding the complexities of chip-to-chip data movement. To further speed up training time-to-solution, Cerebras users can simply add more WSEs to the problem, scaling to near-linear performance.

  For Inference. Wafer-scale integration keeps all critical data on-chip and close to compute cores, resulting in 7,000 times more memory bandwidth than the leading GPU solution. This allows the WSE-3 to deliver over 10 times lower latency for real-time GenAI inference at vastly lower power consumption compared to top CSPs.

- ***Cerebras System (CS).*** The CS AI computer system houses the WSE and delivers innovative power and cooling to the chip. Our third generation CS ("CS-3") delivers three times more compute per unit power than the leading 8-way GPU system. This compact AI powerhouse is designed to easily integrate into standard data centers, and connects into the network via standards-based 100G Ethernet.

- ***Cerebras AI Supercomputer.*** The Cerebras AI Supercomputer is designed to streamline scaling up to 2,048 CS-3 systems for maximum AI acceleration, with more efficiency and simplicity than scaling up to large GPU clusters. Our AI Supercomputer delivers near-linear performance increase as CS systems are added to a problem, takes only seconds to configure, and does not incur the overhead or complexity of heavy inter-chip, inter-system communication.

  Our scalable execution model is designed to simplify the development workflow for large GenAI training. We designed our AI Supercomputer to enable users to elastically scale workload computing resources up to 256 exaFLOPS (2,048 CS-3 systems) just by changing a single number in their code, allowing users to program as if for a single powerful device. Training a GPT-3 sized model on Cerebras, for example, uses 97% fewer lines of code compared to on clusters of GPUs, greatly accelerating the speed of AI model developments for larger-scale models.

- ***Cerebras Software Platform (CSoft).*** Our proprietary software platform, CSoft, is core to our solution and provides intuitive usability and improved developer productivity.

CSoft seamlessly integrates with industry-standard ML frameworks like PyTorch and with popular software development tools, allowing developers to easily migrate to the Cerebras platform.

CSoft eliminates the need for low-level programming in CUDA, or other hardware-specific languages. Starting from a user's PyTorch model, the CSoft graph compiler automatically maps model operations to the WSE, creating an optimized executable without user-level intervention.

CSoft allows ML users to accelerate training and inference on models of any size, scaled across any configuration of the Cerebras AI Supercomputer, just by changing one number in a configuration file, simulating a single-device programming experience without the complexities of distributed programming. This drastically reduces operational overhead and speeds up developer iteration time and business impact.

- ***Cerebras Inference Serving Stack.*** The Cerebras Inference Stack is built on top of CSoft and is designed to allow customers to easily deploy even the largest GenAI models at industry-leading inference speeds. The Cerebras Inference API is designed to facilitate rapid developer adoption and ease of use. Our serving software automatically handles system-level optimizations for our inference solution and is designed to enable low latency and high cost effectiveness.

- ***AI Model Services.*** Our AI model services further amplify speed to solution. Our team of AI practitioners helps customers design research experiments, train models, and optimize processes designed to achieve the fastest time-to-solution. These services complement our advanced hardware and software platform, providing an end-to-end solution for rapid and efficient AI development and deployment that helps our customers translate AI potential to business impact.

Summary of key customer benefits include:

- ***Enables over 10 times faster training time-to-solution*** compared to leading 8-way GPU systems of the same generation, as reported by many of our customers. This dramatically accelerates AI model time-to-solution, enabling businesses to test ideas faster, iterate more quickly, and bring next-generation GenAI-powered products and services to market, faster and more cost effectively.

- ***Delivers over 10 times faster GenAI inference*** compared to GPU-based solutions from top CSPs, as benchmarked on leading open-source models. Because the WSE is designed with massive on-chip SRAM capacity, the vast majority of memory-to-compute communication remains on-silicon, thereby avoiding the memory bandwidth bottlenecks that all GPU-based solutions face. Our resulting ultra-low latency inference delivers industry-leading inference speeds and real-time responses back to users on large, cutting-edge GenAI models. This ultra-low latency enables developers to make over 10 times more inference calls compared to top CSPs in the same amount of time. This capability supports a new class of more capable applications that leverage techniques like multi-step inference (multiple inference calls that build upon each other to deliver more sophisticated outcomes) and self-checking mechanisms, delivering not just speed but also superior results.

- ***End-to-end solution.*** Cerebras offers a unified platform purpose-built to accelerate fundamental compute characteristics of both AI training and inference. Cerebras excels across the axes of compute, memory, memory bandwidth, and simplicity of use, made possible by wafer-scale integration. This allows customers to swiftly transition from training to fine-tuning to deploying high-quality GenAI models on the same platform, eliminating the need for investing in and maintaining separate hardware infrastructure.

- ***Zero distribution complexity.*** Users can effortlessly run a GenAI model of any size, and it takes no additional code to achieve automatic near-linear performance scaling across the nodes of a Cerebras Supercomputer.

- ***Low migration cost.*** Our proprietary CSoft platform integrates seamlessly with familiar ML frameworks and tools, like PyTorch, eliminating the need for AI teams to learn new languages or adapt to new development environments and easing the transition from other hardware platforms.

- ***Power and operational efficiency.*** Cerebras outperforms GPU systems in power efficiency due to both hardware and architectural advantages. Wafer-scale integration allows the majority of AI workload communication to remain on-chip, significantly reducing data movement distance and power consumption; moving a bit of data on the WSE-3 takes less than 1% of the energy needed to do the same over off-chip GPU interconnects. This drives significant operational cost savings and streamlined management for organizations deploying AI at scale.

- ***Expert-led model training and AI integration services.*** We offer expert-led foundation model training, fine-tuning, and retrieval-augmented generation services to customers. Our team provides guidance on cutting-edge AI methods that work on top of our hardware, assisting customers to derive the maximum value from their AI investment.

Our Customers

We have an expanding customer base that includes leading enterprises, Sovereign AI initiatives, cloud service providers, government agencies, and research institutions at the forefront of AI and at the intersection of AI and HPC. These customers leverage Cerebras to tackle complex AI challenges and achieve previously unattainable business outcomes, even with the most advanced GPU systems. Our customers find fundamental value in the simplicity of the Cerebras solution. It unlocks breakthrough business and scientific use cases by removing limitations in development time, programming complexity, and runtime speed.

Our Business Model

We use a combination of direct sales and partnerships to address the rapidly expanding AI market. We offer both on-premise solutions and cloud-based solutions to provide maximum flexibility to our customers. We offer a collection of services from data center deployment to AI expert services and AI Supercomputer operation and management, to provide our customers with the support they need to train, deploy, and accelerate GenAI time-to-value.

- ***On Premise.*** We sell our AI Supercomputers to leading organizations who seek maximum control over their data and their AI infrastructure, fulfilling their needs for high-performance AI compute on premise. Our on-premise AI Supercomputers support both training and inference. They can be configured either for both workloads, or to be further optimized for only one, depending on our customers' needs.

- ***Cloud-Based Computing Services.*** We sell Cerebras solutions via our cloud offering as well as via the Condor Galaxy Cloud owned by Group 42 Holding Ltd (together with its affiliates, "G42"), our partner CSP. Our cloud solutions provide customers fast and flexible access to our powerful AI acceleration hardware. This offering gives our customers the ability to train LLMs with extraordinary speed and deploy them for inference at ultra-low latencies, all without the complexity or time needed to build and manage on-premise infrastructure.

- ***Cerebras Inference Cloud.*** Our real-time inference solution is also available via a dedicated inference cloud service. Leveraging our Cerebras Inference Serving Stack, this cloud API offering allows developers to directly point their applications towards efficient and reliable model serving endpoints. On Cerebras Inference Cloud, we host both popular open-source models and proprietary customer models. For customers who do not need direct compute access and are not interested in managing their own inference serving software stack, our inference cloud offering is the quickest and simplest way to leverage our fast model inference services.

We provide a combination of these offerings to customers who may benefit from leveraging both on-premise and cloud-based options. This flexibility allows customers to choose the solution that best aligns with their budgetary, security, and scalability requirements.

Additionally, customers can train models on-premise and then leverage our inference cloud for production, benefiting from flexible serving resources that can adapt to fluctuating demand. This end-to-end solution allows seamless integration from training to production, serving the entire lifecycle of a customer's AI needs.

We also provide professional services to assist customers throughout the AI workflow.

Our Market Opportunity

We participate in a large and growing AI market. Our full suite of AI computing solutions addresses use cases for training, inference, software, and expert services. We estimate the TAM for our AI computing platform to be approximately $131 billion in 2024, growing to $453 billion in 2027, a 51% CAGR. This TAM is comprised of the following core markets:

- ***AI Compute for Training.*** As businesses continue to evaluate and deploy solutions, we believe the market for training new models will continue to grow. Based on market estimates in Bloomberg Intelligence research, our estimate of the TAM for AI Training Infrastructure is $72 billion in 2024, growing to $192 billion in 2027, a 39% CAGR.

- ***AI Compute for Inference.*** While GenAI training is essential to developing models that are powerful and accurate, we believe inference is the next phase of the ongoing wave of AI disruption. As more enterprises develop models and start to deploy their models in applications at scale, the need for high performance and efficient inference is becoming critical to fully realize the commercial potential of ML. We believe that the inference opportunity is enormous, as the market is in the early phases in its adoption cycle. Our estimate of the TAM for AI Inference is $43 billion in 2024, growing at an estimated 63% CAGR to $186 billion in 2027.

- ***Software and Expert Services.*** Based on market estimates in Bloomberg Intelligence research, our estimate of the TAM for GenAI Software and Services is $16 billion in 2024, growing to $75 billion in 2027, a 67% CAGR.

We believe we are at the very early stages of a large and fast-growing market opportunity. As adoption of AI continues to accelerate, we expect numerous new applications will be identified, and we believe our solutions are well-positioned to capitalize on the wave of disruption that will come in the coming years.

Competitive Strengths

We believe our design is capable of meeting today's needs and is scalable to address tomorrow's challenges. Our competitive strengths include:

- ***The world's first and only wafer-scale chip in the market.*** Our wafer-scale chip architecture eliminates the need for distributed computing. This enables AI developers to use up to 97% less code when working with large models on our platform compared to on clusters of GPUs and greatly accelerates the speed of AI model development for larger-scale models.

- ***Full system solution that is easy to deploy and efficient to operate.***Our system is co-designed with the wafer-scale processor, leveraging proprietary technology to address thermal and power delivery challenges. This allows us to keep the system operating efficiently, optimizing the energy consumption and underlying operating costs for our customers.

- ***Comprehensive software suite that leads to ease of adoption and shortens time to deployment.*** The Cerebras Software platform allows for seamless programmability of AI models through our integration with PyTorch. Our tools allow users to bring models that have been trained on other hardware onto our platform for training or for inference. Likewise, users can train models on our platform and deploy those models for inference elsewhere.

- ***Our AI platform addresses both training and inferencing markets.*** For training, our AI platform enables customers to effortlessly and swiftly use the most advanced GenAI models available on the market, without the need for specialized software frameworks or help from distributed computing experts. For inferencing, our AI platform delivers ultra-low latencies and high generation throughput. This helps our customers to unlock cutting edge performance for ultra-low-latency use cases leveraging GenAI.

- ***Scalable architecture.*** We have developed our solutions to support models and data sets of large and varying sizes. Our current generation CS-3 is designed to support models with up to 24 trillion parameters, much larger than even today's state-of-the-art GenAI models. Our platform is designed to seamlessly scale from 1 to 2,048 CS-3 systems, forming an AI supercomputer that is even further differentiated by our proprietary interconnect and memory technology. This enables customers to seamlessly increase compute resources from small-scale experiments to large-scale deployments.

- ***AI model services help customers translate AI potential to business impact.*** We provide customers with AI model services to help them develop solutions that are customized to meet their needs and help them realize the full value of their AI investments. These services include model selection, data preparation, training, and solutions integration.

- ***World-class AI talent with a proven track record of innovation and execution.*** We have assembled a world-class team of industry leaders in integrated circuit design, processor architecture, power delivery, cooling, system engineering and software. Over the last five years, we have introduced three generations of our WSE, each time achieving two times the performance of its predecessor, and bringing new IC, power, and cooling technologies to bear.

Growth Strategies

We believe we are positioned for sustained growth in the rapidly expanding market for AI acceleration solutions. We have designed our focused strategies to drive continued success and establish ourselves as a long-term leader:

- ***Increase sales to our existing customers.*** We have established a strong land-and-expand track record with our existing customer base and we intend to deepen these relationships by expanding our product and service offerings tailored to their evolving needs. Our strategy focuses on demonstrating the value proposition of our solutions through initial engagements, cross-selling complementary products, and identifying new use cases within existing customers.

- ***Expand our customer base.*** We plan to aggressively pursue opportunities in relevant sectors such as healthcare, pharmaceutical, biotechnology, government, financial services, sovereign, and energy, to name a few, where our AI acceleration capabilities can address critical computational bottlenecks. We will seek to drive this expansion by focused sales and marketing initiatives, highlighting the transformative potential of our technology with targeted use cases. We intend to leverage our existing success stories and strategic partnerships to both bolster our credibility within new markets and establish key channels for customer acquisition.

- ***Further penetrate into the rapidly growing inference market.*** We recently launched our inference solution. The immense amount of memory bandwidth and capacity on our chip allows us to deliver significantly lower generation latency and higher generation throughput over GPUs. By making API-based

inferencing available through our cloud offering, we could significantly accelerate our adoption into inferencing use cases.

- ***Benefit from opportunities in large adjacent AI and compute-intensive markets.*** We are actively enabling applications in fields like life sciences, materials science, and financial modeling, where our cutting-edge AI computing solutions can unlock new discoveries and solve complex problems. Geographically, our strategy includes deepening our investment in partnerships with large Sovereign AI initiatives and new markets, to accelerate AI adoption.

- ***Accelerate our existing product roadmap as well as develop new products for emerging use cases.*** As AI infrastructure requirements scale, we expect emerging use cases to require new products with added functionalities to solve data, networking, and memory bottlenecks. With our continued focus on innovation, we intend to develop and introduce new products and form factors that will enable us to service a larger portion of our market opportunity.

- ***Advance product adoption by proliferating cloud deployment of our AI solutions.*** We intend to accelerate our growth by expanding access to our revolutionary AI systems through cloud deployment, which we believe will significantly broaden our customer base.

Risk Factors Summary

Our business is subject to a number of risks and uncertainties of which you should be aware before making a decision to invest in our common stock. These risks are more fully described in the section titled "Risk Factors" immediately following this prospectus summary. These risks include, among others, the following:

- We may not sustain our growth rate, and we may not be able to manage future growth effectively.

- We have a history of generating net losses, and if we are unable to achieve adequate revenue growth while our expenses increase, we may not achieve and maintain profitability in the future.

- We have a limited operating history, and we may have difficulty accurately predicting our future revenue for the purpose of appropriately budgeting and adjusting our expenses.

- We currently generate a significant majority of our revenue from one customer, G42, and a significant portion of our revenue from a limited number of customers. A reduction in demand from, or a material adverse development in our relationship with, G42 or any of our other significant customers may harm our business, financial condition, results of operations, and prospects.

- Our business and our products and services are subject to various governmental regulations, and compliance with these regulations may cause us to incur significant expense. Similarly, we are required to obtain export licensing to sell our products to various jurisdictions where we have customers, and we cannot guarantee that we will be successful in obtaining all required licenses in the future. If we fail to comply with applicable regulations, we could be subject to civil or criminal penalties, and if we are unable to obtain licenses to export our products, our business, financial condition, results of operations, and prospects may be harmed.

- If the market does not adopt our products, we will be unable to grow our business.

- If we are unable to expand the application of our products, or if the new products we develop and introduce into the market are not successful, our business, financial condition, results of operations, and prospects may be harmed.

- The market for AI computing solutions is competitive and evolving, and if we do not compete effectively, our business, financial condition, results of operations, and prospects may be harmed.

- We depend on third-party suppliers, and substantially all of our manufacturing services and components are procured on a purchase order basis without capacity commitments, which may harm our ability to bring products to market and our reputation, business, financial condition, results of operations, and prospects.

- Our supply chain is long, complex, and global, with many interdependencies. Any significant fluctuations of supply and demand or disruption to our supply chain may harm our ability to manufacture and deliver our products to our customers.

- No public market for our common stock currently exists and an active liquid market may not develop or be sustained following this offering.

- We identified material weaknesses in our internal control over financial reporting. If we are unable to remediate these material weaknesses, or if we identify additional material weaknesses in the future or otherwise fail to maintain an effective system of internal controls, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect investor confidence in us and, as a result, the value of our common stock.

Corporate Information

We were incorporated in April 2016 as a Delaware corporation. Our principal executive offices are located at 1237 E. Arques Avenue, Sunnyvale, California 94085, and our telephone number is (650) 933-4980. Our website address is *www.cerebras.ai*. Information contained on, or that can be accessed through, our website does not constitute part of this prospectus, and the inclusion of our website address in this prospectus is an inactive textual reference only.

Implications of Being an Emerging Growth Company

We are an emerging growth company as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). We will remain an emerging growth company until the earliest of: (i) the last day of the fiscal year following the fifth anniversary of the consummation of this offering; (ii) the last day of the fiscal year in which we have total annual gross revenue of at least $1.235 billion; (iii) the last day of the fiscal year in which we are deemed to be a "large accelerated filer" as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which would occur if the market value of our common stock held by non-affiliates exceeded $700.0 million as of the last business day of the second fiscal quarter of such year; or (iv) the date on which we have issued more than $1.0 billion in non-convertible debt securities during the prior three-year period. An emerging growth company may take advantage of specified reduced reporting requirements and is relieved of certain other significant requirements that are otherwise generally applicable to public companies. As an emerging growth company:

- we will present in this prospectus only two years of audited annual financial statements, plus any required unaudited condensed consolidated financial statements, and related management's discussion and analysis of financial condition and results of operations;

- we will avail ourselves of the exemption from the requirement to obtain an attestation and report from our independent registered public accounting firm on the assessment of our internal control over financial reporting pursuant to the Sarbanes-Oxley Act of 2002;

- we will provide less extensive disclosure about our executive compensation arrangements; and

- we will not require stockholder non-binding advisory votes on executive compensation or golden parachute arrangements.

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. This provision allows an emerging growth

company to delay the adoption of some accounting standards until those standards would otherwise apply to private companies. We have elected to use the extended transition period for any other new or revised accounting standards until the date that we are no longer an emerging growth company or affirmatively and irrevocably opt out of the extended transition period. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

The Offering

Common stock offered by us	shares.
Option to purchase additional shares of common stock	shares.
Common stock to be outstanding immediately after this offering	shares (or shares if the underwriters exercise their option to purchase additional shares of common stock in full).
Use of proceeds	We estimate that we will receive net proceeds from this offering of approximately $ (or $ if the underwriters exercise their option to purchase additional shares of common stock in full), based upon the assumed initial public offering price of $ per share of common stock, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. The principal purposes of this offering are to obtain additional capital to fund our operations, create a public market for our common stock, facilitate our future access to the public equity markets, and increase awareness of our company among potential partners. We currently intend to use the net proceeds from this offering, together with our existing cash, cash equivalents, and investments, for general corporate purposes, including working capital, operating expenses, and capital expenditures. We may also use a portion of the net proceeds to in-license, acquire, or invest in complementary technologies, assets, businesses, or intellectual property. We periodically evaluate strategic opportunities; however, we have no current commitments to enter into any such acquisitions or make any such investments. We intend to use approximately $ of the net proceeds to satisfy tax withholding and remittance obligations related to the settlement of restricted stock units ("RSUs") that will vest in connection with this offering. We will have broad discretion in the way that we use the net proceeds of this offering. See the section titled "Use of Proceeds" for additional information.
Risk factors	See the section titled "Risk Factors" and other information included in this prospectus for a discussion of factors you should carefully consider before deciding whether to invest in our common stock.
Proposed trading symbol	"CBRS"

The number of shares of our common stock to be outstanding after this offering is based on shares of our common stock outstanding as of June 30, 2024, and reflects the Preferred Stock Conversion (as defined below), and excludes:

- shares of our common stock issuable upon the exercise of outstanding stock options as of June 30, 2024, with a weighted-average exercise price of $ per share;

- shares of our common stock issuable upon the exercise of stock options granted after June 30, 2024, with a weighted-average exercise price of $ per share;

- shares of our common stock issuable upon the vesting of RSUs subject to service-based and liquidity-based vesting conditions outstanding as of June 30, 2024, for which the service-based vesting condition was satisfied as of June 30, 2024 and for which the liquidity-based vesting condition will be satisfied in connection with this offering (we expect these RSUs will result in the net issuance of shares of common stock, after withholding shares to satisfy associated estimated tax withholding obligations (based on an assumed % tax withholding rate));

- shares of our common stock issuable upon the vesting of RSUs subject to service-based and liquidity-based vesting conditions outstanding as of June 30, 2024, for which the service-based vesting condition was not yet satisfied as of June 30, 2024 and for which the liquidity-based vesting condition will be satisfied in connection with this offering;

- shares of common stock issuable upon the vesting and settlement of RSUs granted after June 30, 2024;

- 68,213 shares of our common stock issuable upon the exercise of a warrant to purchase shares of our common stock outstanding as of June 30, 2024, with an exercise price of $0.00001 per share;

- 2,728,512 shares of our Series F-1 redeemable convertible preferred stock sold after June 30, 2024 in connection with the Series F-1 Financing, which will automatically be converted into shares of our common stock effective upon the completion of this offering (see the section titled "Description of Capital Stock—Series F-1 Financing" for additional information);

- 25,920,873 shares of our common stock reserved for additional purchases in the Series F-1 Financing (see the section titled "Description of Capital Stock—Series F-1 Financing" for additional information);

- a variable number of shares of our common stock that may be issued pursuant to the G42 Option (see the section titled "Description of Capital Stock—Series F-1 Financing—G42" for additional information);

- shares of our common stock reserved for future issuance under our 2024 Incentive Award Plan (the "2024 Plan"), which will become effective on the business day immediately prior to the date of effectiveness of the registration statement of which this prospectus forms a part, including new shares and the number of shares (i) that remain available for grant of future awards under our 2016 Equity Incentive Plan (as amended, the "2016 Plan") at the time the 2024 Plan becomes effective, which shares will cease to be available for issuance under the 2016 Plan at such time and (ii) underlying outstanding stock-based compensation awards granted under the 2016 Plan (such awards outstanding under such plans, the "Prior Plan Awards") that expire, or are cancelled, forfeited, reacquired, or withheld; and

- shares of our common stock reserved for future issuance under our Employee Stock Purchase Plan (the "ESPP"), which will become effective on the business day immediately prior to the date of effectiveness of the registration statement of which this prospectus forms a part.

The 2024 Plan and the ESPP also provide for automatic annual increases in the number of shares reserved thereunder. See the section titled "Executive and Director Compensation—Equity Incentive Plans" for additional information.

Except as otherwise indicated, all information in this prospectus assumes or gives effect to:

- the adoption, filing, and effectiveness of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws, each of which will occur immediately prior to the completion of this offering;

- the automatic conversion of all outstanding shares of our redeemable convertible preferred stock as of June 30, 2024 into an aggregate of shares of our common stock, which will occur prior to the completion of this offering (the "Preferred Stock Conversion");
- no repurchase of outstanding shares of our common stock after June 30, 2024;
- no exercise of outstanding stock options or warrants or settlement of outstanding RSUs described above after June 30, 2024;
- no issuance of shares of our capital stock pursuant to the Series F-1 Financing or the G42 Option (see the section titled "Description of Capital Stock—Series F-1 Financing" for additional information); and
- no exercise by the underwriters of their option to purchase additional shares of our common stock in this offering.

Summary Consolidated Financial Data

The following tables set forth our summary consolidated financial data. The summary consolidated statements of operations data for the years ended December 31, 2023 and 2022 have been derived from our audited consolidated financial statements included elsewhere in this prospectus. The summary consolidated statements of operations data for the six months ended June 30, 2024 and 2023 and the summary consolidated balance sheet data as of June 30, 2024 have been derived from our unaudited interim consolidated financial statements included elsewhere in this prospectus. In our opinion, the unaudited interim consolidated financial statements have been prepared on a basis consistent with our audited consolidated financial statements and, in our opinion, contain all adjustments, consisting only of normal and recurring adjustments, necessary for a fair presentation of such interim financial statements. Our historical results are not necessarily indicative of results that may be expected in the future, and our results for the six months ended June 30, 2024 are not necessarily indicative of results that may be expected for the year ending December 31, 2024 or any future period.

You should read the following summary consolidated financial data in conjunction with the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and related notes included elsewhere in this prospectus. The summary consolidated financial data in this section are not intended to replace, and are qualified in their entirety by, the consolidated financial statements and related notes.

	Year Ended December 31,		Six Months Ended June 30,	
	2023	2022	2024	2023
	(in thousands, except per share amounts)			
Consolidated Statement of Operations:				
Revenue				
Hardware	$ 57,114	$ 15,599	$ 104,269	$ 1,559
Services and other	21,630	9,020	32,133	7,105
Total revenue	78,744	24,619	136,402	8,664
Cost of sales[1]				
Hardware	45,559	19,195	66,442	1,980
Services and other	6,827	2,534	13,941	2,306
Total cost of sales	52,386	21,729	80,383	4,286
Gross profit	26,358	2,890	56,019	4,378
Operating expenses				
Research and development[1]	140,057	155,408	77,742	76,295
Sales and marketing[1]	9,642	9,401	7,237	4,176
General and administrative[1]	10,593	16,902	12,851	4,922
Total operating expenses	160,292	181,711	97,830	85,393
Loss from operations	(133,934)	(178,821)	(41,811)	(81,015)
Interest income	5,683	1,076	3,809	2,349
Other income (expense), net	1,228	230	(28,284)	918
Loss before income taxes	(127,023)	(177,515)	(66,286)	(77,748)
Income tax expense	132	204	319	72
Net loss	$ (127,155)	$ (177,719)	$ (66,605)	$ (77,820)
Net loss per share – basic and diluted[2]	$ (2.92)	$ (4.28)	$ (1.42)	$ (1.82)
Weighted average number of common shares outstanding, basic and diluted	43,552	41,485	46,945	42,857

	Year Ended December 31,		Six Months Ended June 30,	
	2023	2022	2024	2023
	(in thousands, except per share amounts)			
Pro forma net loss per share attributable to common stockholders, basic and diluted[3]				
Pro forma weighted-average shares used in calculating pro forma net loss per share attributable to common stockholders, basic and diluted[3]				
Other Financial Information:				
Non-GAAP operating loss[4]	$ (107,303)	$ (155,777)	$ (9,482)	$ (71,755)
Non-GAAP net loss[5]	$ (100,524)	$ (154,675)	$ (3,949)	$ (68,560)
Net cash (used in) provided by operating activities	$ (78,977)	$ (164,402)	$ 311,813	$ (70,185)

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

	Year Ended December 31,		Six Months Ended, June 30,	
	2023	2022	2024	2023
	(in thousands)			
Cost of sales	$ 309	$ 223	$ 420	$ 51
Research and development	21,187	17,732	23,905	7,367
Sales and marketing	3,563	832	3,195	1,075
General and administrative	1,572	4,257	4,809	767
Total stock-based compensation expense	$ 26,631	$ 23,044	$ 32,329	$ 9,260

Stock-based compensation expense included $9.0 million, $8.6 million, $18.5 million, and $0.9 million for the years ended December 31, 2023, and 2022 and for the six months ended June 30, 2024 and 2023, respectively, related to secondary transactions in each period and a common stock repurchase from employees during the year ended December 31, 2022. See Note 12 to our audited consolidated financial statements and our unaudited interim condensed consolidated financial statements included elsewhere in this prospectus for additional details on the secondary transactions.

(2) See Note 7 to our audited consolidated financial statements included elsewhere in this prospectus for an explanation of the method used to calculate our basic and diluted net loss per share and the weighted-average number of shares used in the computation of per share amounts.

(3) The pro forma weighted-average shares used in computing pro forma net loss per share assumes (i) the Preferred Stock Conversion and (ii) the net issuance of shares of our common stock upon the vesting and settlement of RSUs for which the service-based vesting condition was satisfied as of June 30, 2024 and the liquidity-based vesting condition will be satisfied in connection with this offering, after withholding shares to satisfy the associated estimated tax withholding obligations (based on an assumed % tax withholding rate). The pro forma net loss used to calculate pro forma net loss per share reflects stock-based compensation expense of approximately $ that we will recognize upon the completion of this offering related to RSUs subject to service-based and liquidity-based vesting conditions for which the service-based vesting condition was satisfied as of June 30, 2024 and for which the liquidity-based vesting condition will be satisfied in connection with this offering.

(4) See “Non-GAAP Operating Loss” below for more information and for a reconciliation of Non-GAAP operating loss to loss from operations, the most directly comparable financial measure calculated and presented in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”).

(5) See “Non-GAAP Net Loss” below for more information and for a reconciliation of Non-GAAP operating loss to net loss, the most directly comparable financial measure calculated and presented in accordance with U.S. GAAP.

	As of June 30, 2024		
	Actual	Pro Forma[1]	Pro Forma As Adjusted[2]
	(in thousands)		
Consolidated Balance Sheet Data:			
Cash and cash equivalents	$ 90,931	$	$
Working capital[3]	129,089		
Total assets	622,862		
Total liabilities	479,394		
Redeemable convertible preferred stock	722,780		
Stockholders' deficit	(579,312)		

(1) The pro forma column above gives effect to (i) the filing and effectiveness of our amended and restated certificate of incorporation, which will occur immediately prior to the completion of this offering; (ii) the Preferred Stock Conversion; (iii) the net issuance of shares of our common stock upon the vesting and settlement of RSUs for which the service-based vesting condition was satisfied as of June 30, 2024 and the liquidity-based vesting condition will be satisfied in connection with this offering, after withholding shares to satisfy the associated estimated tax withholding obligations (based on an assumed % tax withholding rate); (iv) the increase in accrued expenses and other current liabilities and an equivalent decrease in additional paid-in capital of $ in connection with the estimated tax withholding obligations related to the net settlement of these RSUs (based on an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and an assumed % tax withholding rate); and (v) stock-based compensation expense of approximately $ that we will recognize upon the completion of this offering related to RSUs subject to service-based and liquidity-based vesting conditions for which the service-based vesting condition was satisfied as of June 30, 2024 and for which the liquidity-based vesting condition will be satisfied in connection with this offering.

(2) The pro forma as adjusted column above gives further effect to (i) the pro forma adjustments set forth above and (ii) the issuance and sale of shares of common stock by us in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(3) Working capital is defined as total current assets less total current liabilities. See our unaudited interim consolidated financial statements and the related notes thereto included elsewhere in this prospectus for further details regarding our current assets and current liabilities.

Non-GAAP Financial Measures

We use certain non-GAAP financial measures to supplement the performance measures in our consolidated financial statements, which are presented in accordance with GAAP. These non-GAAP financial measures include non-GAAP operating loss and non-GAAP net loss. We use these non-GAAP financial measures for financial and operational decision-making and as a means to assist us in evaluating period-to-period comparisons. By excluding certain items that may not be indicative of our recurring core operating results, we believe that non-GAAP operating loss and non-GAAP net loss provide meaningful supplemental information regarding our performance. Accordingly, we believe these non-GAAP financial measures are useful to investors and others because they allow for additional information with respect to financial measures used by management in its financial and operational decision-making and they may be used by our institutional investors and the analyst community to help them analyze the health of our business. However, there are a number of limitations related to the use of non-GAAP financial measures, and these non-GAAP measures should be considered in addition to, not as a substitute for or in isolation from, our financial results prepared in accordance with GAAP. Other companies, including companies in our industry, may calculate these non-GAAP financial measures differently or not at all, which reduces their usefulness as comparative measures.

Non-GAAP Operating Loss

We define non-GAAP operating loss as operating loss presented in accordance with GAAP, adjusted to exclude stock-based compensation expenses. We have presented non-GAAP operating loss because we consider non-GAAP operating loss to be a useful metric for investors and other users of our financial information in evaluating our operating performance because it excludes the impact of stock-based compensation, a non-cash charge that can vary from period to period for reasons that are unrelated to our core operating performance. This metric also provides investors and other users of our financial information with an additional tool to compare business performance across companies and periods, while eliminating the effects of items that may vary for different companies for reasons unrelated to core operating performance.

A reconciliation of our GAAP operating loss, the most directly comparable GAAP financial measure, to non-GAAP operating loss is presented below:

	Year Ended December 31,		Six Months Ended June 30,	
	2023	2022	2024	2023
	(in thousands)			
GAAP operating loss	$ (133,934)	$ (178,821)	$ (41,811)	$ (81,015)
Add: Stock-based compensation expense	26,631	23,044	32,329	9,260
Non-GAAP operating loss	$ (107,303)	$ (155,777)	$ (9,482)	$ (71,755)

Non-GAAP Net Loss

We monitor non-GAAP net loss for planning and performance measurement purposes. We define non-GAAP net loss as net loss reported on our consolidated statements of operations, excluding the impact of stock-based compensation expenses and change in fair value of forward contract liability. We have presented non-GAAP net loss because we believe that the exclusion of these charges allows for a more relevant comparison of our results of operations to other companies in our industry and facilitates period-to-period comparisons as it eliminates the effect of certain factors unrelated to our overall operating performance. Our calculation of non-GAAP net loss does not currently include the tax effects of the stock-based compensation expense adjustment because such tax effects have not been material to date.

A reconciliation of our GAAP net loss, the most directly comparable GAAP financial measure, to our non-GAAP net loss is presented below:

	Year Ended December 31,		Six Months Ended June 30,	
	2023	2022	2024	2023
	(in thousands)			
GAAP net loss	$ (127,155)	$ (177,719)	$ (66,605)	$ (77,820)
Add: Stock-based compensation expense[(1)]	26,631	23,044	32,329	9,260
Add: Change in fair value of forward contract liability	—	—	30,327	—
Non-GAAP net loss	$ (100,524)	$ (154,675)	$ (3,949)	$ (68,560)

(1) Non-GAAP net loss does not include the tax effects of the stock-based compensation expense adjustment because such tax effects were not material during the periods presented.

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks described below as well as the other information in this prospectus, including our consolidated financial statements and the notes thereto, and the section titled, "Management's Discussion and Analysis of Financial Condition and Results of Operations," before deciding whether to invest in our common stock. The occurrence of any of the events or developments described below may harm our business, financial condition, results of operations, and prospects. In such an event, the price of our common stock could decline, and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently believe are not material may also harm our business, financial condition, results of operations, and prospects.

Risks Related to Our Business and Our Industry

We may not sustain our growth rate, and we may not be able to manage future growth effectively.

We have experienced significant growth in a short period of time. Our revenue increased from $24.6 million for the year ended December 31, 2022 to $78.7 million for the year ended December 31, 2023, and from $8.7 million for the six months ended June 30, 2023 to $136.4 million for the six months ended June 30, 2024. We may not achieve similar growth rates in future periods. You should not rely on our results of operations for any prior quarterly or annual periods as an indication of our future operating performance. If we are unable to maintain adequate revenue growth, our financial results could suffer, and our stock price could decline.

To manage our growth successfully and handle the responsibilities of being a public company, we believe we must effectively, among other things:

- recruit, hire, train, and manage additional qualified personnel for our research and development activities;
- continue to make significant investments in our new and existing products;
- add additional sales personnel; and
- implement and improve our administrative, financial, and operational systems, procedures, and controls.

If we are unable to manage our growth effectively, we may not be able to take advantage of market opportunities or develop new products, and we may fail to satisfy customer requirements, maintain product quality, execute our business plan, or respond to competitive pressures, which may harm our business, financial condition, results of operations, and prospects.

We have a history of generating net losses, and if we are unable to achieve adequate revenue growth while our expenses increase, we may not achieve and maintain profitability in the future.

We have a history of generating net losses. We incurred net losses of $127.2 million and $177.7 million for the years ended December 31, 2023 and 2022, respectively, and our net loss for the six months ended June 30, 2024 and 2023 was $66.6 million and $77.8 million, respectively. As of June 30, 2024 and December 31, 2023, we had an accumulated deficit of $728.2 million and $661.6 million, respectively. These losses and our accumulated deficit are a result of the substantial investments we have made to grow our business. We expect our costs will increase over time and our losses may continue if such increases in costs are not more than fully offset by increases in our revenue. We expect to continue to invest significant additional funds in expanding our business and research and development activities as we continue to develop new products. We also expect to incur additional general and administrative expenses as a result of our growth and expect our costs to increase to support our operations as a public company.

If our revenue or revenue growth rate declines or our operating expenses exceed our expectations, our financial performance will be adversely affected. We will need to generate and sustain increased revenue levels in future

periods in order to maintain profitability. If we cannot successfully grow our revenue at a rate that exceeds the costs associated with our business, we will not be able to maintain profitability, and the trading price of our common stock could decline.

We have a limited operating history, and we may have difficulty accurately predicting our future revenue for the purpose of appropriately budgeting and adjusting our expenses.

We were established in 2016 and began generating revenue in 2019. Our limited operating experience, a dynamic and rapidly evolving market in which we sell our products, our dependence on one customer, as well as numerous other factors beyond our control, could impede our ability to forecast quarterly and annual revenue accurately. As a result, we could experience budgeting and cash flow management problems, unexpected fluctuations in our results of operations, and other challenges, any of which could make it difficult for us to achieve and maintain profitability and could increase the volatility of the price of our common stock.

We currently generate a significant majority of our revenue from one customer, G42, and a significant portion of our revenue from a limited number of customers. A reduction in demand from, or a material adverse development in our relationship with, G42 or any of our other significant customers may harm our business, financial condition, results of operations, and prospects.

Group 42 Holding Ltd (together with its affiliates, "G42") accounted for 83% and 87%, respectively, of our total revenue for the year ended December 31, 2023 and six months ended June 30, 2024. Our dependence on our relationship with G42 subjects us to a number of risks. Any negative changes in the demand from G42, in G42's ability or willingness to perform under its contracts with us, in laws or regulations applicable to G42 or the regions in which it operates, or in our broader strategic relationship with G42 would harm our business, financial condition, results of operations, and prospects. Even if G42 remains satisfied with our offerings, it is possible that it will no longer need to purchase additional AI compute or services at the same quantity as prior periods, or that G42's ability to purchase our products may change for reasons outside of its control. G42 may also choose to purchase more of its AI compute from our competitors.

Further, as of December 31, 2023, customers representing 10% or more of total accounts receivable consisted of four customers (including G42) who accounted for 43%, 22%, 15%, and 15% of our accounts receivable balance. Two customers accounted for 68% and 16%, respectively, of our accounts receivable balance as of June 30, 2024. This customer concentration increases the risk of quarterly fluctuations in our results of operations and our sensitivity to any material adverse developments experienced by, or in our relationships with, our significant customers. The loss of, any substantial reduction in sales to, or the default on payments by, any of our significant customers may harm our business, financial condition, results of operations, and prospects.

Our business and our products and services are subject to various governmental regulations, and compliance with these regulations may cause us to incur significant expense. Similarly, we are required to obtain export licenses to sell our products to various jurisdictions where we have customers, and we cannot guarantee that we will be successful in obtaining all required licenses in the future. If we fail to comply with applicable regulations, we could be subject to civil or criminal penalties, and if we are unable to obtain licenses to export our products, our business, financial condition, results of operations, and prospects may be harmed.

Our business and our products and services are subject to various domestic and international laws and other legal requirements, including packaging, product content, and labor regulations. Further, we must conduct our business in compliance with international trade laws and regulations, including various import and export control laws and regulations, such as the U.S. Export Administration Regulations ("EAR"), which are administered by the U.S. Department of Commerce's Bureau of Industry and Security ("BIS"), as well as economic and trade sanctions, including those administered by the U.S. Department of the Treasury's Office of Foreign Asset Control ("OFAC"). OFAC administers and enforces economic and trade sanctions that restrict U.S. companies from selling or supplying products and services to embargoed jurisdictions and sanctioned parties. U.S. export control laws and regulations restrict or prohibit the export, re-export, and in-country transfer of certain commodities, software, and technology (including certain AI technologies) to restricted countries, governments, persons, and entities.

Our products and services are subject to U.S. export controls, and our products generally may only be exported to customers located in certain countries with prior licensing from the BIS. In particular, in October 2023, BIS announced updated licensing requirements for exports of certain semiconductors and other items, including certain components of our products, to countries in the EAR's Country Groups D:1, D:4 (which includes the United Arab Emirates, where our strategic partner and largest customer, G42, is headquartered), and D:5. The licensing requirements also apply to the export of these items to a party headquartered in, or with an ultimate parent headquartered in, Country Group D:5.

While we have obtained an export license from BIS to export, reexport, or transfer (in-country) our CS-2 systems to G42 in the United Arab Emirates, all of the systems we have sold to G42, or for which purchase orders have been placed by G42, to date have been or are expected to be deployed in the United States, which does not require an export license from BIS. To the extent that we cannot export to a specific customer without a license from BIS, we may seek a license for the customer. However, the licensing process is time-consuming. There is no assurance that BIS will grant such a license or that BIS will act on the license application in a timely manner. Even if BIS issues a license, it may impose burdensome conditions that we or our customer cannot accept or decide not to accept.

We believe our cloud offerings are in compliance with export, sanctions, and other applicable laws, including exemptions therefrom, and we have implemented certain control mechanisms designed to prevent unauthorized dealings with U.S. embargoed or sanctioned countries.

If we or our customers fail to comply with these regulations, or if users in U.S. embargoed or sanctioned countries circumvent our precautions for compliance with these regulations, we may be unable to export our products and services or we may be required to suspend sales to these customers, and we may be subject to civil monetary files, criminal sanctions, and other penalties (such as loss of export privileges), which may harm our reputation, business, financial condition, results of operations, and prospects. To the extent we increase our business outside the United States, our risks under these laws and regulations would increase.

Managing these new licenses and other requirements is complicated and time consuming. The requirements may disadvantage us relative to competitors who sell products that are not subject to U.S. export control restrictions or who may be able to acquire licenses for their products that we are not able to obtain. Our competitive position and future results may be further harmed over the long-term if there are further changes in BIS export controls, including further expansion of the geographic, customer, or product scope of the controls applicable to our products, if customers purchase products from competitors, if customers develop their own internal solutions to avoid the need to purchase our products, if we are unable to provide contractual warranty or other extended service obligations, if BIS does not grant licenses in a timely manner or denies licenses relating to significant customers, or if we incur significant transition costs. Even if BIS grants requested licenses, the licenses may be temporary or impose burdensome conditions that we or our customers or end users cannot or choose not to fulfill. The licensing requirements may benefit certain of our competitors, as the licensing process makes our pre-sale and post-sale technical support efforts more cumbersome and less certain and could encourage customers to pursue alternatives to our products, including semiconductor suppliers based in China, Europe, and Israel.

Given the increasing strategic importance of AI and rising geopolitical tensions, BIS has changed and may again change the export control rules at any time and may impose additional export control restrictions and elevated licensing requirements on certain components of our products, which would negatively impact our business, financial condition, results of operations, and prospects. For example, in January 2024, BIS proposed regulations requiring, among other things, U.S. providers of Infrastructure-as-a-Service ("IaaS") products, and resellers of such products, to verify the identity of their foreign customers, and providers of certain IaaS products to submit a report to the U.S. Secretary of Commerce when a foreign person transacts with that provider or one of its resellers to train a large AI model with potential capabilities that could be used in malicious cyber-enabled activity. If the regulations go into effect as proposed and are deemed to apply to our business, we may be required to expend substantial resources to comply with the verification, reporting, recordkeeping, and resale enforcement requirements and may be restricted in our customer base. In the event of changes to export control rules, we may not be able to sell our products and services, including existing inventory of such products, to existing or potential customers. We also may

not be able to develop replacement products and services not subject to licensing and other requirements, effectively excluding us from all or part of certain markets, including the Middle East and China. While our business in the United Arab Emirates and elsewhere has not been negatively impacted to date by export regulations, we cannot provide assurance that heightened attention on relations with the Middle East, including companies based therein, and such region's AI ambitions, will not cause the U.S. government to adopt new regulations, or deny us necessary regulatory approvals, that limit our ability to sell our products or services there or result in brand or reputational harm, competitive harm, or financial harm.

Further, any deterioration in relations between the United States and China, Taiwan, the Middle East, and other jurisdictions could lead to additional sanctions or export controls on such countries, regions, and specific individuals or entities, which could impact our ability to sell to or source components from such locales or otherwise negatively impact our business. In addition, trade regulations or other governmental actions targeted at one country or entity may impact other countries or entities. Any decreased use of our products or limitation on our ability to export or sell products to certain regions would adversely affect our business, financial condition, results of operations, and prospects.

We are also subject to anti-corruption laws, including the U.S. Foreign Corrupt Practices Act, which have been enforced aggressively in recent years. Although we have implemented policies and procedures designed to support compliance with relevant economic sanctions, export controls, and anti-corruption laws, there can be no assurance that our employees, partners, contractors, or agents will not violate such laws and regulations or our policies and procedures. Any failure by us to comply with these laws or regulations may have adverse consequences for us, including reputational harm, government investigations, possible loss of export or import privileges, and substantial civil and criminal penalties. We may be required to incur significant expense to comply with, or to remedy violations of, these regulations.

Further changes in trade or national security protection policy, tariffs, additional taxes, restrictions on exports, or other trade barriers, including those taken against the United States in retaliation for U.S. policies or those implemented by the United States in connection with election cycles, may limit our ability to obtain components or raw materials, limit our ability to produce products, increase our selling and/or manufacturing costs, decrease margins, reduce the competitiveness of our products, reduce our ability to sell products, or reduce our ability to have investments or mergers and acquisitions approved by governmental agencies, any of which may harm our business, financial condition, results of operations, and prospects.

If the market does not adopt our products and services, we will be unable to grow our business.

Our success depends on our ability to attract new customers and users to our products and services, which in turn depends on the competitiveness and desirability of our offerings. We expect competition to increase from both existing competitors and new market entrants with products that may be lower priced than ours, may be better optimized than our offerings for emerging technologies, or may provide better performance or additional features not provided by our products or services. Potential customers may also develop their own AI computing products and services that they then may commercialize. There can be no assurance that our solution will gain wide market acceptance. Many of our competitors use different semiconductor compute architectures, platforms, tools, and technology stacks from ours in their products and services, including some, like GPUs, that are already widely used in the industry. Potential customers may be unwilling or unable to convert from legacy AI solutions to our solution, and we may be unable to attract new customers. Current customers may further be dissatisfied or stop purchasing our products if our products are not compatible with or able to be used in combination with other AI solutions, including those of our competitors.

In addition, our products require data centers with sufficient power, equipment, and cooling infrastructures, which may not be readily available to our customers. This may cause customers to delay purchases or delay acceptance of delivery of previously purchased goods, which may harm our financial condition and results of operations, including timing of revenue recognition. While most AI computing solutions require power and other special infrastructure, customers or potential customers may choose to purchase alternative solutions from our competitors.

If our products and services are not widely adopted, or if we are unable to successfully develop and deploy additional go-to-market methods or expand the functional areas in which our products and services compete, our business, financial condition, results of operations, and prospects may be harmed, and we will be unable to grow our business.

If we are unable to expand the application of our products, or if the new products we develop and introduce into the market are not successful, our business, financial condition, results of operations, and prospects may be harmed.

Currently, our AI computing solution is focused on accelerating training and inference for GenAI model architectures, including LLMs and multimodal reasoning models. Part of our success will depend on our ability to expand the application of our solution to other areas of use, such as traditional computer vision, HPC use cases, and new ML application areas yet to be discovered, as well as new or expanded verticals, such as multi-lingual language applications, biomedical, pharmaceutical and life sciences, and financial services. If we are unable to service and capture such use cases, we may lose market share and not be able to grow our business.

Further, in addition to releasing next generation versions of existing products, our business strategy may involve introducing new offerings to the market, which are subject to different risks and uncertainties. There can be no assurance that such new offerings will be broadly accepted. For instance, we recently released our inference solution, and if we fail to win broad customer adoption, we will be unable to participate in a significant segment of the AI market. In addition, if market demand for high speed inference, including for real-time, agent-based or other similar applications, does not exist or increase as expected, our inference solution may not be successful. The competitive landscape, customer preferences, market pressures, and technical and product challenges for new products may be different from our existing offerings. We can provide no assurance that new product offerings will achieve success on a timely basis, or at all.

The market for AI computing solutions is competitive and evolving, and if we do not compete effectively, our business, financial condition, results of operations, and prospects may be harmed.

The market for AI computing solutions is highly competitive and evolving. New technologies and solutions are rapidly emerging in the markets in which we compete. We compete against Nvidia Corporation, a dominant market leader, Advanced Micro Devices, Inc., Intel Corporation, Microsoft Corp., and Alphabet Inc., among others, as well as internally developed custom application-specific integrated circuits and a variety of private companies, some of which are focused on inference-only offerings. Many of these companies are large, well established, and have greater financial resources than we do. In addition, many companies, including potential customers, are developing or may decide to develop their own AI computing solutions based on current or new technologies, including wafer-scale technology, and may, in the future, seek to monetize such solutions in a way that competes with our product and service offerings. Many of our current and potential competitors benefit from competitive advantages over us, such as prominent and cutting-edge technology and software tools designed to keep out new market entrants, greater name recognition, established developer communities, established engineering teams with key industry knowledge, longer operating histories, greater financial assets, more varied product offerings, larger sales and marketing resources, more established relationships, wider geographic presence or larger, more established customer bases, more comprehensive and mature intellectual property portfolios and patent protections, a more robust supply chain, including favorable contracts with suppliers, and other resources. These competitors may also be able to more effectively identify and capitalize upon opportunities in new markets and customer trends, be better able to secure suppliers or may have priority access to suppliers, and obtain sufficient research and development operations, design, manufacturing, and fabrication solutions, foundry and assembly and test capacity than we can, which may harm our business. Competitors with greater financial resources may be able to offer lower prices than us, or they may offer additional products, services, or other incentives that we may be unable to match. Additionally, while we compete against many parties, we also operate in a market with a dominant incumbent. This introduces a number of competitive pressures, including that it is more challenging to gain market awareness of our products, or gain market share. Additionally, a dominant incumbent has the ability to influence the direction of the market and user community in ways that are advantageous to them. In such cases, we have less visibility to be able to accurately predict the direction of the market, and such direction may not be consistent with our strengths and roadmap. If we

cannot influence the AI community to engage with our products and services instead, or if we are unable to compete effectively, or are unable to convert new customers, our business, financial condition, results of operations, and prospects may be harmed.

Additionally, customer expectations and requirements are rapidly evolving. As a result, some of our competitors may be better situated to meet changing customer needs and secure design wins. For example, our software offering is currently optimized around certain AI models, such as LLMs and multimodal reasoning models. Should AI model architectures significantly change, it may take us time to build out the software support, and we may lose potential or current customers and developers in the interim.

While we believe that our current processor design and associated software are optimized for a variety of AI and HPC workloads, including our ability to continue to scale performance through investments in our current architectures, disruptive technologies in compute, including "more than Moore" technologies and innovations, have the potential to severely disrupt current computer processing technologies, including ours. While we continue to invest in advanced system and semiconductor techniques, we may not be able to adapt our technologies, intellectual property, and expertise to such new paradigms, while our established competitors and new entrants specializing in such technologies may. If we are unable to innovate, participate in, and leverage such new fields, or if our solutions are not compatible with other AI solutions, our solutions may become obsolete, we may lose market share and customers, and our business, financial condition, results of operations, and prospects may be harmed.

Further, we sell a premium solution, and our competitors' solutions may be less expensive to purchase by certain measures, which may limit the number of customers who can or will buy our product. While the market in which we operate is evolving rapidly, as it matures, AI computing solutions may become increasingly commoditized, where many different solutions become sufficient for customer requirements. Factors that may contribute to commoditization include advances in AI compute, advances in or simplifications of AI model architectures that require less sophisticated compute, and consumer preferences, which alone or in combination with other factors may lead to price erosion. If we are unable to establish and maintain a competitive lead that supports premium pricing or offset price reductions with increased sales, our business, financial condition, results of operations, and prospects may be harmed.

We may also experience discriminatory or anti-competitive practices by our competitors that may impede our growth, cause us to incur additional expense, or otherwise harm our business. For example, some of these competitors may use their market power to dissuade potential or current customers from purchasing from us. Our competitors may also establish cooperative relationships among themselves or with third parties or may acquire companies that provide similar products as ours. We expect this trend to continue as companies attempt to improve the leverage of growing research and development costs, strengthen or hold their market positions in an evolving industry, or are unable to continue operations. Certain of our competitors have active merger and acquisition pipelines and are well-funded to inorganically accelerate their product development. In addition, companies that are strategic partners, vendors, or customers may acquire or form alliances with our competitors, thereby reducing their business with us. We believe that industry consolidation has and may continue to result in stronger competitors that are better able to compete as sole-source vendors for customers. There can be no assurance that we will not be forced to engage in price-cutting or margin limiting initiatives, or to increase our advertising and other expenses to attract and retain customers in response to competitive pressures. Any of these factors, alone or in combination with others, may harm our business, financial condition, results of operations, and prospects, and result in a loss of market share and an increase in pricing pressure.

We depend on third-party suppliers, and substantially all of our manufacturing services and components are procured on a purchase order basis without capacity commitments, which may harm our ability to bring products to market and our reputation, business, financial condition, results of operations, and prospects.

We operate a fabless manufacturing model that utilizes third-party suppliers, such as a third-party wafer foundry, as well as system assembly and test service providers in a number of countries, including outside the United States. We depend on one third-party foundry, TSMC, to manufacture our proprietary processor using its fabrication equipment and techniques. We purchase components such as servers, field-programmable gate arrays,

network switches, cooling units, interconnects, and chassis, among many others, from third-party providers. Except for certain assembly, packaging, and testing steps that we perform internally, we do not assemble, test, or package our products, but instead contract with independent contract manufacturers. Most of our products are designed to be manufactured in a specific process, typically at one particular fabrication facility with particular suppliers. In addition, we source a number of the components used in our products from sole or single-source suppliers, or use a single supplier to perform certain of the processes involved in the manufacture of the products. Some of our components, such as our wafer, have long lead times. As a result, we are highly reliant on our suppliers, and depend on them to allocate sufficient manufacturing capacity to meet our needs, develop products of acceptable quality at acceptable yields, and deliver those products to us on a timely basis.

Further, we do not generally have long-term capacity commitments with our suppliers. Substantially all of our manufacturing services and component orders are currently transacted on a purchase order basis, and in many instances we negotiate pricing separately for each purchase order, with our contractors and suppliers having no obligation to perform services or supply products to us for any specific period, in any specific quantities, or at any specific price, except as may be provided in a particular purchase order. It is possible that other customers of our suppliers that are larger and better financed than we are, or have long-term agreements with these suppliers, may induce these suppliers to reallocate capacity to them, which could impair our ability to secure manufacturing, assembly, and testing capacity that we need for our products. Further, our competitors may have long-term capacity commitments with our suppliers, and our suppliers may be obligated to prioritize our competitors under these agreements when supply is limited. Some of these suppliers have experienced in the past, and may experience in the future, shortages and other disruptions to their ability to source and obtain deliveries of necessary raw materials, components, or services, or logistics issues in delivering their products or performing their services. We are dependent on the availability of this capacity to manufacture and assemble our products, and our suppliers have not provided assurances that adequate capacity will be available to us in the future. If our suppliers' operations are curtailed or disrupted, we may need to seek alternate sources of supply, which may not exist. The lead time needed to identify, qualify, and establish reliable production at acceptable yields with a new supplier is typically lengthy, and there is often no readily available alternative supplier. In addition, qualifying new suppliers is often expensive, and they may not develop products or provide services as cost-effectively as our current suppliers. These shortages and disruptions may, in turn, harm our ability to manufacture and timely deliver our products to our customers. For example, shipment delays in the fourth quarter of 2023 by a supplier resulted in delays in our delivery schedule to a customer. While we met our contractual obligations to the customer in this instance, we can provide no assurance that we will be able to do so in other instances under similar circumstances. We have also had to qualify alternative suppliers and have experienced delays in delivering our products when existing suppliers no longer supported our requirements due to changes in their business. If one or more of our suppliers no longer manufactures our products, fails to perform its obligations in a timely manner or at satisfactory quality levels, or is obligated to prioritize other entities in a constrained environment, our ability to bring products to market and to timely deliver products to our customers may be harmed.

Additionally, if our component suppliers cease to, or become unable to, manufacture a component for us, we may also be forced to make a significant "lifetime" purchase of the affected component or part from an existing supplier, in order to enable us to meet our customer demand or to re-engineer a product. Significant lifetime purchases of such discontinued components could significantly increase our inventory and other expenses, such as insurance costs, and expose us to additional risks, such as the loss of, or damage to, products that may not subsequently be available to us from an alternative source. In any such circumstances, we may be unable to meet our customers' demands and may fail to meet our contractual obligations and may need to redesign our products. This may result in the payment of significant damages by us to our customers and our revenue may decline, harming our business, financial condition, results of operations, and prospects. We may also have excess inventory if we overestimate the "lifetime" purchase quantity, which would result in write-offs.

There are certain components in our products that require long lead times to manufacture and deliver, including the wafer for our WSE. Accordingly, we must make estimates of demand well in advance of certainty of revenue. In addition, the yield on components, including our wafers, is variable and thus we must account for a certain amount of waste when purchasing components. If our estimates of customer demand are ultimately inaccurate, as we have experienced from time to time, there could be a significant mismatch between supply and demand. This mismatch

has in the past resulted, and may in the future result, in both product shortages and excess inventory, with a corresponding impact to our results of operations. If we underestimate our customers' future demand for our products, our suppliers may not have adequate lead-time or capacity to increase production and we may not be able to obtain sufficient inventory to fill orders on a timely basis or in a cost-effective manner. If we fail to fulfill our customers' orders on a timely basis, or at all, our customer relationships could be damaged, we may lose revenue and market share and our reputation may be harmed. If we overestimate our customers' future demand, we may have excess inventory with limited or no resale value, which would harm our business, financial condition, results of operations, and prospects.

Some of our customer agreements provide for, and future customer agreements may also require, certain remedies if we do not deliver our products and services in a timely manner or by a certain date. If our third-party suppliers do not perform services or deliver components on our expected timeline, including due to force majeure or other reasons beyond their control, we may owe damages or incur other liabilities with our customers. In addition, certain of our customers prepay for hardware purchases and are entitled to refunds of such advances in certain situations.

Prior to our wafer scale engine, a full wafer-sized processor had not previously been successfully manufactured. We worked with TSMC to develop the processes necessary to manufacture the semiconductor wafers needed for our wafer scale engine, which involve many complexities and proprietary technologies. We are currently dependent on TSMC to produce all of the wafers that we use in our products. We have no formalized long-term supply or allocation commitments from TSMC, and TSMC also fabricates wafers for other companies, including certain of our competitors, many of whom are significantly larger than us and purchase considerably more wafers from TSMC than we do. TSMC could reduce or eliminate deliveries to us on short notice, or raise their prices to us, all of which may result in loss of revenue opportunities, damage our relationships with our customers, and harm our results of operations and gross margin. Many of our suppliers, including TSMC, are located in areas of high geopolitical tension, such as Taiwan and South Korea, or in areas prone to natural disasters, such as earthquakes and typhoons. Any substantial disruption in TSMC's supply of wafers to us, or in the other contract manufacturing services that we utilize, as a result of a natural disaster, climate change, water shortages, political unrest, military conflict, geopolitical turmoil, trade tensions, inflation, government orders, global pandemics or health crises, economic instability, equipment failure, or other causes, may harm our business, financial condition, results of operations, and prospects.

Our supply chain is long, complex, and global, with many interdependencies. Any significant fluctuations of supply and demand or disruption to our supply chain may harm our ability to manufacture and deliver our products to our customers.

Our products depend on many different electronic components of varying complexity and raw materials, as well as software tools for the design of our products. Accordingly, our supply chain is dependent on many aspects of the global semiconductor industry, which is highly cyclical and subject to wide fluctuations of supply and demand as a result of rapid technological change, rapid product obsolescence and price erosion, evolving standards, and frequent new product introductions, among other reasons. The industry has experienced significant downturns during recent global recessions, characterized by diminished product demand, production overcapacity, and high inventory levels. Any upturn in the semiconductor industry could result in increased competition for access to suppliers. Additionally, the impact of industry-wide trends on specific segments and suppliers is difficult to predict.

Our products have long and complex bills of materials, with several long lead time components and single-source suppliers for certain critical components. For example, TSMC fabricates all of our wafers, and switching to a different foundry would require development of new proprietary processes and technologies, which may be expensive and increase production time. Some of our suppliers are small and are unable to accommodate fluctuations in required capacity. In other cases, our requirements represent a small portion of a supplier's business, and therefore we may not be a priority for such supplier.

Our supply chain is also subject to complex and frequently changing rules and regulations regarding global trade, such as imports, exports, tariffs, and taxes, as well as the effects of U.S. and foreign government programs and

initiatives regarding the semiconductor supply chain and other geopolitical forces. For example, both the United States and China have national programs directed toward influencing the future of the global semiconductor industry, and the effects of such programs on our business are not easily predictable.

Further, force majeure and other events beyond our and our suppliers' control, including the COVID-19 pandemic and natural disasters such as earthquakes in Taiwan, have in the past and may in the future result in disruption to parts of our supply chain, including difficulty procuring wafers and other necessary components in a timely fashion, with suppliers increasing lead times or placing products on allocation, requiring committed, non-cancelable purchases and raised prices. Such events may excuse performance of certain suppliers but not excuse our performance to our customers, which may cause us to incur liabilities.

Transportation disruptions, such as shortages in available cargo capacity or labor availability, changes in frequency of service, and shipping channel disruptions, may also increase delivery times and costs for materials and components to our facilities, transfers of our products to our key suppliers, and may affect our ability to timely ship our products to customers. In addition, sometimes we bear the risk of loss during transportation of components from our suppliers and products to our customers.

In periods when broad fluctuations or changes in business conditions occur, it is difficult to assess the impact on our business. We have experienced substantial period-to-period fluctuations in our results of operations and expect, in the future, to experience period-to-period fluctuations in our results of operations due to these changes in business conditions.

Raw material and component price fluctuations or decreased availability of certain raw materials or components can increase the cost of our products, impact our ability to meet customer commitments, and may adversely affect our business, financial condition, results of operations, and prospects.

The cost of raw materials and components is a key element in the cost of our products, both directly and indirectly through our suppliers. Our inability to offset material price inflation may harm our business, financial condition, results of operations, and prospects. Although we believe that sources of supply for raw materials and components are generally adequate, it is difficult to predict what effects shortages or price increases may have in the future. Our inability to meet our supply needs would jeopardize our ability to fulfill obligations under our contracts, which could, in turn, result in reduced sales and profits, contract penalties or terminations, and damage to our customer relationships. Furthermore, increases in the price of certain raw materials may result in increased production costs and may result in a decrease in our gross margins. We may choose not to, or may not be able to, pass on such price increases to our customers. In addition, because we primarily outsource manufacturing of our products, global market trends such as shortage of capacity to fulfill our fabrication needs also may increase our raw material costs and thus decrease our gross margins.

Dependency on third-party suppliers and their technology to manufacture, assemble, test, or design our products reduces our control over product quantity and quality, manufacturing yields, development, enhancement, and product delivery schedules and could harm our business.

Except for certain assembly, packaging, and testing steps that we conduct internally, we depend on third-party suppliers to manufacture, assemble, and test our products, and utilize third-party development tools for design, simulation, and verification of new products. Further, while we primarily generate intellectual property internally, we have, on occasion, leveraged certain third parties for software development purposes. We also face several other risks related to our third-party suppliers that have adversely affected or could adversely affect our ability to meet customer demand and scale our supply chain, negatively impact longer-term demand for our products and services, and harm our business or results of operations, including:

- lack of guaranteed supply of wafer, component, and capacity or decommitment and potential higher wafer and component prices, from long lead times, incorrectly estimating demand, and failing to place orders with our suppliers with sufficient quantities or in a timely manner;

- failure by our foundries or suppliers to procure raw materials or provide adequate levels of manufacturing or test capacity for our products;
- failure by our foundries to develop, obtain, or successfully implement high quality process technologies, including transitions to smaller geometry process technologies such as advanced process node technologies and memory designs needed to manufacture our products;
- failure by our suppliers to comply with our policies and expectations and emerging regulatory requirements;
- limited number and geographic concentration of global suppliers, foundries, contract manufacturers, assembly, and test providers;
- loss of a supplier and additional expense and/or production delays as a result of qualifying a new foundry or other supplier and commencing volume production or testing in the event of a loss, addition, or change of a supplier;
- lack of direct control over product quantity, quality, and delivery schedules;
- responsibility or lack of recourse for loss or damage incurred while our products are in transit;
- failure of our suppliers or their suppliers to supply high-quality products and/or making changes to their products without our qualification;
- delays in product shipments, shortages, a decrease in product quality, and/or higher expenses in the event our subcontractors or foundries prioritize our competitors' or other customers' orders over ours;
- requirements to place orders that are not cancellable upon changes in demand or requirements to prepay for supply in advance;
- low manufacturing yields resulting from a failure in our product design or a foundry's proprietary process technology;
- disruptions in manufacturing, assembly, and other processes due to closures related to heat waves, earthquakes, fires, or other natural disasters and electricity conservation efforts; and
- failure by our third-party software development tools to meet consumer demands for greater functionality from the design, simulation, and verification of new products or product enhancements

The complexity of our products and services could result in unforeseen delays or expense or undetected defects, bugs, or security vulnerabilities, which may harm the market acceptance of new products and services, damage our reputation with current or prospective customers, cause significant remediation expenses, and may harm our business, financial condition, results of operations, and prospects.

Our AI computing solutions, including both hardware and software, are highly complex to design and complicated to make, involve novel manufacturing processes, and may contain defects, bugs, or security vulnerabilities or experience failures or unsatisfactory performance due to a variety of issues, including design, fabrication, packaging, materials, or use. Our products and services may contain defects when they are first introduced or as new versions or enhancements are released, or their release may be delayed due to unforeseen difficulties during product development. We shipped our first CS-1 system in 2020 and our first CS-2 system in 2021, and first introduced our CS-3 system and our inference solutions in 2024. As a result, we and our customers have not had a significant amount of time to gauge the long-term performance and reliability of our products and services. In addition, while we have designed our platform to be able to seamlessly scale up to 2,048 CS systems, we have historically deployed clusters comprising 64 CS systems. If our AI solutions, third-party components used in

our products, the AI models we create or train on behalf of our customers, or our inference output, contain defects, bugs, or vulnerabilities or have reliability, quality, or compatibility problems, we may not be able to successfully design workarounds or resolve the issues in a timely manner. For example, the AI models may not generate the responses that our customers want or expect, or may be otherwise flawed. Any defects discovered in our products or services, or any components included in our products, prior to their shipping or release could delay our ability to deliver products or services to our customers. Further, defects in our products, services, or the AI models we build or help train may only be discovered after a product or model has been shipped, released, or used by our customers. Our products and services may also have undiscovered vulnerabilities that could be exploited by hackers or other unscrupulous third parties who develop and deploy viruses and other malicious software programs, thereby exposing our customers to potential adverse consequences. Additionally, our products may be difficult to repair in the field and may need to be shipped back to our facility for repair. Failures of our products to perform to specifications, or other product defects, have caused us to incur, and could cause us to incur in the future, significant warranty, support, and repair or replacement costs and divert the attention of our engineering personnel from our product development efforts to find and correct the issue or to design workarounds. Further, issues with, or subpar performance of, AI models that we develop or help develop for customers may require additional and unexpected personnel cost to remedy. In addition, delays in shipping or releasing products or training AI models or the discovery of an error or defect in new products or software after commencement of commercial shipment or release could harm our relationships with customers, as well as the perception of our brand, and may result in failure to achieve market acceptance of our products and services and harm our business, financial condition, results of operations, and prospects.

We have experienced, and may continue to experience, difficulties in transitioning to more advanced process node technologies and in developing advanced packaging solutions.

To remain competitive, we have transitioned, and expect to continue to transition, our processors to be manufactured in accordance with increasingly smaller process node technologies. For instance, the CS-2 was based on TSMC's 7nm process technology while the CS-3 is based on TSMC's 5nm process technology. We also evaluate the increased costs of designing and manufacturing to more advanced process nodes, including both actual costs and opportunity costs related to the technologies we choose to forego. These complex transitions are imperative for us to remain competitive with the rest of the industry.

We are dependent on our relationship with our foundry partner to transition to smaller process nodes successfully. We cannot be sure that the third parties we use will be able to effectively manage any future transitions, on our desired schedule, or at all. For example, we currently rely on TSMC for the production of all of our wafers. Developing the necessary technology with another foundry would increase our time to market. We have encountered, and may continue to encounter, delays during tape-out of new designs at smaller process nodes, including securing tape-out slots on our preferred timing. If we cannot timely resolve technical and operational issues, we could experience significant delays in manufacturing our next generation product or fail to deliver a next generation product at the most advanced node. If TSMC or another foundry is not able or not willing to manufacture wafers for our future generation products in sufficient quantities or on our preferred timeline to meet customer demand, it could negatively impact our business. In addition, we could experience reduced manufacturing yields, delays in product deliveries, and increased expenses, all of which may harm our relationships with our customers and our results of operations.

We expended significant resources to develop techniques for power delivery and cooling of our wafer scale chip design. We will need to continue investing in innovations in these areas, as well as other aspects of advanced package design, to achieve our product roadmap objectives and remain competitive. If we reach the limits of being able to power, cool, and provide I/O to our processors, or if we encounter other complexities of packaging our chip, such as advanced integration requirements, we would need to develop alternative solutions to remain competitive. Failure to do so may harm our reputation, business, financial condition, results of operations, and prospects.

Failure at tape-out or failure to achieve the expected final test yields for our products may harm our results of operations.

The tape-out process, which marks the finalization of semiconductor design and the transition to manufacturing, is a critical milestone in our product development cycle and involves inherent risks that could adversely affect our business, financial condition, results of operations, and prospects. The tape-out process requires considerable investment in time and resources and close cooperation with the wafer foundry, and repeated failures can significantly increase our costs, lengthen our product development period, and delay our product launch. If the tape-out or testing of a new chip design fails, either as a result of design flaws by our research and development team or problems with production or the testing process by the wafer foundry, we may incur considerable costs and expenses to fix or restart the design process. Such obstacles may delay the launch of new products and harm our business, financial condition, results of operations, and prospects.

New developments and enhancements of our products and services require significant investment. Our failure to develop new or enhanced products and services and introduce them in a timely and effective manner would undermine our competitiveness.

We have invested, and expect to continue to invest, significant resources in the development of our AI compute solutions, both at a hardware and software level. For example, we periodically publish software releases that may contain significant new features or improvements, which require personnel and IT resources to develop and deploy. Similarly, we periodically develop and release new versions of our hardware, including new generations of processors at smaller process nodes, which also requires significant financial and engineering resources, including design, fabrication, assembly, and testing costs. We recently introduced our inference solution, which has new software and novel techniques in computation that required significant investment.

Our failure to anticipate or timely adapt to changes in AI model architecture and other developments in AI technologies could result in our current and next generation products not meeting the most prevalent customer needs, leading to the loss of customers and decreased demand for our products and services. For instance, we have developed software kernels that are optimized for AI solutions built on transformer architectures and designed our hardware to be optimized for models with high compute demand and model parallel scaling. However, AI architecture is a rapidly evolving field, and the design cycles for our products can be long. Therefore, there can be no assurance that our solutions will be optimized for future AI workloads. Our solution currently integrates with the PyTorch ML framework to enable familiar programmability for developers. New deep-learning frameworks emerge periodically, and while we intend to evolve our solution to support those that become popular and widely adopted, we can provide no assurance that we will be able to support all such frameworks with existing or future versions of our software. Likewise, our inference solution was initially designed to support a limited set of leading third-party foundational models. While we intend to expand the number of supported models, we must make decisions as to the order in which popular foundational models will be integrated into our solution. If we do not timely expand our inference solution to support models that become popular within the AI community, our inference product may lose current and potential customers.

At the same time, the AI compute market is subject to rapid technological change, product obsolescence, design changes, and frequent new product introductions and feature enhancements. For example, continuous and rapid advances in semiconductor technology compel providers of compute to release new and improved products at a regular cadence. Failure to timely introduce new offerings that leverage the latest hardware and software advancements in computing or in AI may result in diminished relevance, decreased competitiveness, and loss of market share, which may harm our reputation, business, financial condition, results of operations, and prospects. Our ability to generate usage of additional products by our customers may also require increasingly sophisticated, more costly and differentiated sales efforts and result in longer sales cycles. In addition, adoption of new products or enhancements may put additional strain on our customer support or compliance teams, which could require us to make additional expenditures related to further hiring and training. Further, the investment required to stay abreast of innovations in AI and AI compute, including research and development and intellectual property expenditures and capital investments, is substantial. If we allocate our resources incorrectly, we may impair our product development cycle and erode our competitive positioning. Resource constraints may also require us to discontinue existing

products or services to support new offerings. The effects of such business model changes may be difficult to predict and may not be evident for a long period of time. If we choose to focus on the wrong products and services, it may harm our business, financial condition, results of operations, and prospects.

As a result of the rapid evolutions in AI technologies and the length of our product development cycle, we must make decisions as to where to dedicate resources and develop product functionality based on our assessment of which evolving AI technologies we think are likely to become widely adopted in the future. Our ability to successfully compete and to continue to grow our business depends in significant part upon our ability to develop, introduce, and sell new and enhanced products on a timely and cost-effective basis, and to correctly anticipate and respond to changing customer requirements. If we are incorrect in our assessments, we will have expended financial and engineering resources that may not generate revenue, and which may harm our competitive position, to the extent we do not have adequate solutions for use cases that become prevalent. Lack of market acceptance for our new products for any reason could jeopardize our ability to recoup substantial research and development expenditures and may harm our reputation, business, financial condition, results of operations, and prospects.

We have experienced, and may experience in the future, delays and unanticipated expenses in the development and introduction of new products. A failure to develop products with required feature sets or performance standards or a delay in bringing a new product or service to market may significantly reduce our return on investment as well as our sales, all of which may harm our business, financial condition, results of operations, and prospects. Delays in the development of new products and services or product and service enhancements could also benefit our competitors and allow them to achieve greater market share. We cannot assure that our future product development efforts will be successful or result in products that gain market acceptance.

Our cloud-based offering is subject to certain risks and challenges. Unfavorable or uncertain conditions in the cloud market, as well as for AI infrastructures, may cause fluctuations in our results of operations.

Our offerings include a cloud-based platform, where customers can purchase our AI computing solutions on a consumption-based model. This business model is intended to allow customers to choose the solution that best aligns with their budgetary, security, and scalability requirements. The risks and challenges of a cloud-based business model may be different from selling our products for on-premise use. For instance, building and scaling a cloud-based platform requires us to lease data centers with sufficient power and cooling infrastructures and to maintain sufficient units on hand, which may require resources to be reallocated from producing units that could otherwise be sold to customers for on-premise use. In order to support a cloud-based business model, we may also incur additional IT and personnel costs to service and manage our clusters, as well as rely on third-party infrastructure, such as Amazon Web Services for certain data transmission needs. There is no assurance that such investments will lead to increased revenue as compared to other business models. In addition, we recently introduced a cloud-based inference solution with a free and paid tier. Such product may present new and additional risks to us, including substantially increasing the number of users accessing our cloud, which may increase cybersecurity risk as well as risk of outages due to overcapacity or otherwise.

Additionally, if domestic and global economic conditions worsen, or adoption, use, and commercialization of AI technology, particularly of the large models that are currently dominating the market, do not progress as expected, overall spending may be reduced, which could adversely impact demand for our solutions in these cloud and AI infrastructure markets and we may not realize our expected growth rates. Furthermore, changes to data privacy laws regarding cross-border transmission of data may disproportionately impact cloud-based platforms. In such cases, we may be left with excess units in our clouds and data center leases and costs that we cannot terminate or recoup. Even if the demand for cloud and AI-related infrastructure develops in the manner or in the time periods we anticipate, if we do not have timely, competitively priced, market-accepted solutions or personnel available to timely meet our customers' needs, we may miss a significant opportunity and our business, financial condition, results of operations, and prospects may be harmed.

Pricing for the current generation of our existing products often decreases over time, which may harm our business, financial condition, results of operations, and prospects.

We recently launched the CS-3 and no longer commercialize the CS-2. In the future, we expect to release new generations of our AI compute system, which may require us to reduce prices of then-current systems in anticipation of such releases. In addition, customers may delay purchasing an existing system in anticipation of our release of a next generation or newer, more advanced system. Our business, financial condition, results of operations, and prospects may be harmed by a decline in the pricing for the current generation of our existing products. Additionally, as competition increases in our target markets, we may need to reduce the prices of our existing products and services in anticipation of competitive pricing pressures, new product introductions by us or our competitors, new generations of such existing products, or for other reasons. If we are unable to offset any reductions in pricing for existing products by increasing our sales volumes or introducing new products or services or new product generations of such existing products with higher margins, our business, financial condition, results of operations, and prospects may be harmed. To maintain our results of operations, we must develop and introduce new products and services, next-generation products, and product enhancements on a timely basis and continually reduce our costs as well as our customers' costs. Failure to do so may harm our business, financial condition, results of operations, and prospects.

If our customers do not purchase additional products from us or expand their purchases with us in the future, our business, financial condition, results of operations, and prospects could be harmed.

In order for us to maintain or improve our results of operations, it is important that our customers continue to purchase products from us on similar or improved terms, and that we increase the products and services our customers purchase from us. Our on-premise system purchases are generally handled on a purchase order basis, and customers are not otherwise required to purchase specific or additional quantities of products from us. Likewise, our inference solution can be purchased by developers on a pay-as-you-go model without any long-term commitments. Even when customers agree to purchase an agreed quantity of hardware products from us, we generally do not recognize revenue until shipment or delivery, depending on shipping terms, or until we have met the contractual acceptance terms. As a result, we may not generate the amount of revenue on the timeline that we expect. Moreover, our customers' purchasing power have, in some cases, given them the ability to make greater demands on us with regard to pricing and contractual terms. We expect this trend to continue, which may adversely affect our gross margin and, should we fail to perform under these arrangements, we could also be liable for significant monetary damages. If our efforts to maintain and expand our relationships with our existing customers are not successful, our business, financial condition, results of operations, and prospects may be harmed.

Our sales cycles can be long and unpredictable, and our sales efforts require considerable time and expense. If our sales cycle lengthens or we invest substantial resources pursuing unsuccessful sales opportunities, our business and results of operations may be harmed.

Our results of operations may fluctuate, in part, because of the resource-intensive nature of our sales efforts, the length and variability of the sales cycle for our products, and the difficulty in making short-term adjustments to our operating expenses. The timing of our sales is difficult to predict. The length of our sales cycle, from initial evaluation to purchase of our product, can vary substantially from customer to customer. Our sales efforts involve educating our customers about the use, technical capabilities, and benefits of our solution. Customers often undertake a lengthy evaluation of our products, which may involve not only our solution but also those of our competitors. Potential customers have and may continue to request paid proof of concept trials prior to purchase, which can be time intensive for our sales and technical personnel. In addition, sales to large organizations and government agencies, and in highly regulated verticals, tend to take longer to conclude because such organizations typically go through a significant evaluation and lengthy negotiation process due to their size, organizational structure, and internal approval requirements. We may spend substantial time, effort, and money on sales efforts without any assurance that our efforts will produce any sales. As a result, it is difficult to predict if or exactly when we will make a sale to a potential customer, or if we can increase sales to our existing customers. New product developments or releases may lead to changes in the size, quantity and complexity of our customer relationships, making it more difficult for us to predict timing of our sales or the expected impact to our results of operations. If

our sales cycle lengthens or we invest substantial resources pursuing unsuccessful sales opportunities, our business, financial condition, and results of operations may be harmed.

Each individual sale tends to be large as a proportion of our overall sales, which has impacted our ability to accurately forecast revenue and manage cash flows. In addition, sales have, in some cases, occurred in later quarters than anticipated, or have not occurred at all, and within each quarter, it is difficult to predict when a transaction will close. Therefore, it is often difficult to determine whether we will meet our quarterly or annual expectations until near the end of such periods. Many of our expenses are relatively fixed or require time to adjust. If expectations for our business are not accurate, we may not be able to adjust our cost structure on a timely basis, and our margins and cash flows may differ from expectations.

The estimates of market opportunity and forecasts of market growth included in this prospectus may prove to be inaccurate, and even if the markets in which we compete achieve the forecasted growth, our business may not grow at similar rates, or at all.

Market opportunity estimates and growth forecasts included in this prospectus, including third-party market research and internal estimates, are subject to significant uncertainty and are based on assumptions and estimates which may not prove to be accurate. While we believe the information on which we base our market opportunity estimates and forecasts is generally reliable, such information is inherently imprecise. Furthermore, even if the markets in which we compete meet the size estimates and growth forecasts included in this prospectus, our business may not grow at similar rates, or at all. For example, we are in the early stages of commercializing our inference solution, and there can be no assurance that we will be able to capture any significant part of the inference market. Moreover, the market for high speed inference, including real-time and agent-based systems, may not exist or increase as expected. Our growth is subject to many factors, including our success in implementing our business strategy, which has many risks and uncertainties, including those described herein. If our market opportunity estimates or growth forecasts prove to be inaccurate, our future growth opportunities may be lower than we currently expect.

Issues relating to the responsible use of our technologies may result in reputational or financial harm and liability.

As with many new emerging technologies, AI presents risks and challenges and increasing ethical and legal concerns relating to its responsible use that could affect the adoption of AI, and thus our business. Concerns relating to the responsible use of new and evolving technologies in our products and services may also result in reputational or financial harm and liability and may cause us to incur costs to resolve such issues. For instance, we offer AI model services in which we develop proprietary AI models with and on behalf of our customers, as well as open-source AI models that we or our customers make generally available to the community. We may not have insight into, or control over, how our customers and other third parties use or deploy the AI models that we trained or assisted in training, or that were trained using our computing solutions, or that we otherwise make available to customers. We do not control how others, including customers, use AI models that we develop or make available. We also cannot fully control how users interact with our inference solution, including whether they may violate our terms of use or that of third-party models with which we integrate. If we enable or offer AI models that draw controversy due to their perceived or actual impact on society, including, for example, AI models that have unintended consequences, infringe intellectual property rights or rights of publicity, disseminate illegal, inaccurate, defamatory, or harmful content, or are controversial because of their impact on human rights, privacy, cybersecurity, employment or other social, economic or political issues, or if we are unable to develop effective internal policies and frameworks relating to the responsible development and use of AI models, we may experience brand or reputational harm, competitive harm, financial harm, or legal liability. Complying with multiple laws, statutes, regulations, self-regulatory frameworks, and industry standards from different jurisdictions related to AI could increase our cost of doing business, may change the way that we operate in certain jurisdictions, or may impede our ability to offer certain products and services in certain jurisdictions if we are unable to comply with applicable legal requirements. Compliance with existing and proposed government regulation of AI, including in jurisdictions such as the European Union (the "EU"), as well as under any U.S. regulation adopted in response to the Biden Administration's October 2023 executive order on the Safe, Secure, and Trustworthy Development and Use of

Artificial Intelligence ("2023 AI Order"), may also increase the cost of related research and development and compliance, and create additional reporting or transparency requirements. In addition, unfavorable developments with evolving laws and regulations worldwide related to AI, such as those laws that may pause or inhibit continued development or adoption of AI, may limit global adoption, reduce demand for our products and services, increase our costs to provide our products and services, impede our strategy, and negatively impact our long-term expectations in this area. For example, given the adoption of the EU AI Act (the "AI Act") in 2024, we anticipate that there will continue to be significant developing laws and regulations with respect to AI as the AI industry continues to develop. Changes in AI-related regulation may disproportionately impact and disadvantage us and require us to change our business practices, which may harm our results of operations. Our, our customers, or others' failure to adequately address any of the foregoing concerns or regulations relating to the responsible use of AI may undermine public confidence in AI and slow adoption of our products and services or harm our reputation or business, financial condition, results of operations, and prospects.

Any failure to offer high-quality maintenance and support services for our customers may harm our relationships with our customers and, consequently, our business.

Once our solution is deployed, our customers depend on our maintenance and support teams to resolve technical and operational issues. Our ability to provide effective customer maintenance and support is dependent on our ability to attract, train, and retain qualified personnel with machine learning, software programming, IT, and complex hardware maintenance experience. In particular, our hardware systems are very complex and difficult to repair in the field, with many components that are challenging and expensive to upgrade. When we sell hardware units for installation on premise at our customers' facilities, we may in certain circumstances provide spare units that may be used during repair downtime. Where we also provide cluster management services for hardware that we have sold, our customer agreements typically provide for service credits in the event we do not meet certain uptime requirements.

Additionally, growth in our customer base puts additional pressure on our customer maintenance and support teams. If we are unable to provide efficient, high-quality customer maintenance and support services or if we are unable to hire sufficient additional maintenance and support personnel in a timely or efficient manner, we may incur significant warranty, support, and repair, replacement, or service credit costs, and our business and our relationships with our customers may be harmed.

If we are not able to maintain and enhance our reputation and brand recognition, our business, financial condition, results of operations, and prospects may be harmed.

We believe that maintaining and enhancing our reputation and brand recognition is critical to our relationships with existing customers and our ability to attract new customers. The promotion of our brand may require us to make substantial investments and we anticipate that, as our market becomes increasingly competitive, these marketing initiatives may become increasingly difficult and expensive. Our marketing activities may not be successful or yield increased revenue, and to the extent that these activities yield increased revenue, the increased revenue may not offset the expenses we incur, and our results of operations may be harmed. In addition, any factor that diminishes our reputation or that of our management, including failing to meet the expectations of our customers and public or investor perception, may make it substantially more difficult for us to attract new customers. Similarly, because our customers often act as references for us with prospective new customers, any existing customer that questions the quality of our work or that of our employees could impair our ability to secure additional new customers. If we do not successfully maintain and enhance our reputation and brand recognition with our customers, our business may not grow and we may lose these relationships, which may harm our business, financial condition, results of operations, and prospects.

Events outside of our control, adverse economic conditions, or economic uncertainty may harm our business, financial condition, results of operations, and prospects.

Disruptive and/or unpredictable global events beyond our control (such as geopolitical conflict or terrorism, including the ongoing conflict between Russia and Ukraine and in the Middle East, global pandemics or health

crises, natural disasters, or labor unrest) may increase the severity of political and economic volatility around the world, and could result in a protracted localized or widespread decrease in demand for our products. This decrease in demand, depending on its scope and duration, could significantly impact and harm our business, financial condition, results of operations, and prospects over the short and long-term.

Additionally, many of our suppliers, including our sole source of wafers, TSMC, are located in areas of high geopolitical tension, such as Taiwan and South Korea, or in areas prone to natural disasters, such as earthquakes and typhoons. Any substantial disruption in TSMC's supply of wafers to us, or in the other supply services that we utilize, as a result of a natural disaster, climate change, water shortages, political unrest, military conflict, geopolitical turmoil, trade tensions, government orders, medical epidemics, economic instability, equipment failure or other causes, may harm our customer relationships, business, financial condition, results of operations, and prospects. Further, a significant majority of our revenue is generated from one customer headquartered in the United Arab Emirates. Recent political instability and protests in the Middle East have caused significant disruptions to many industries. Conflict, political instability, and social unrest in, policy changes with, or negative public sentiment toward, the Middle East may significantly harm our business, financial condition, results of operations, and prospects.

Further, adverse macroeconomic conditions, including a general slowdown in the United States or global economy or in a particular region or industry, inflation, recession, changes to fiscal and monetary policy, tighter credit, higher interest rates, new or increased trade tariffs, or an increase in trade tensions with United States trading partners, may harm our business, financial condition, results of operations, and prospects. A deterioration in economic conditions may cause our customers to reduce, delay or forego technology spending, including spending on our products. Significant inflation may increase our costs and expenses, which we may choose not, or not be able to, pass on to our customers. In addition, uncertainty about, or a decline in, global or regional economic conditions may have a significant impact on our suppliers, some of which are located outside the United States. If customers or prospective customers elect not to purchase our products or services as a result of a weak economy or rising inflation and increased costs or otherwise, or our suppliers are unable to continue supplying our products, our business, financial condition, results of operations, and prospects may be harmed. Potential effects include financial instability, inability to obtain credit to finance operations and insolvency.

Risks Related to Operations

Our business and operations have experienced significant growth, and if we do not effectively manage our growth, or are unable to improve our systems and processes, our business, financial condition, results of operations, and prospects will be harmed.

We have grown rapidly since we were founded in 2016. For example, our total headcount has grown to approximately 340 people as of June 30, 2024, and we have employees located in the United States, Canada, India, and other countries. Our customer base has also grown and we expect it to continue to grow. The rapid growth and expansion of our business places a continuous and significant strain on our management, operational, and financial resources.

To manage future growth effectively, we will need to expand and improve our operating, financial, IT and other administrative systems, controls, and procedures, and continue to manage headcount expansion and capital in an efficient manner. We may not be able to successfully implement requisite improvements to these systems, processes, controls, and procedures in a timely or efficient manner. Any failure to improve our systems and processes, or their failure to operate in the intended manner, whether as a result of the significant growth of our business or otherwise, may result in our inability to manage the growth of our business or to accurately forecast our revenue, expenses and earnings, or to prevent certain losses or replace anticipated revenue that we do not receive as a result of delays arising from these factors. Moreover, the failure of our systems and processes could undermine our ability to provide accurate, timely and reliable reports on our results of operations and financial condition and could adversely impact the effectiveness of our internal controls over financial reporting. In addition, our systems and processes may not prevent or detect all errors, omissions, or fraud. Accordingly, our results of operations in future reporting periods may be below the expectations of investors.

We will also face increased compliance costs associated with growth and the expansion of business, particularly as we expand into new countries, if the number of our government customers increases, and as we become a public company. We have encountered and expect to continue to encounter additional risks and difficulties frequently experienced by growing companies in rapidly changing industries, including effectively managing increasing expenses, and allocating valuable financial and other resources as we continue to grow our business. If we do not manage these risks successfully, our business, financial condition, results of operations, and prospects will be harmed.

We are subject to the risks associated with conducting business operations outside the United States, which may harm our business.

In addition to our U.S. operations, we also have international operations, primarily in research and development and operations, and foreign subsidiaries in Canada and India. We also on occasion provide services at our customers' facilities, including those not located in the United States, and engage in sales and marketing efforts in many foreign jurisdictions. International activities are subject to the uncertainties associated with international business operations, including global laws and regulations, economic sanctions, tax regulations, import and export regulations, duties, tariffs, and other trade restrictions and barriers, changes in trade policies, anti-corruption laws, foreign governmental regulations, potential vulnerability of and reduced protection for intellectual property, and our ability to acquire and retain local employees, any of which may harm our business, financial condition, results of operations, and prospects. Our business, financial condition, results of operations, and prospects may also be harmed in the event of political conflicts, economic crises, wars, or other changes in international relations affecting countries where our subsidiaries, manufacturers, suppliers, and customers are located.

A deterioration in relations between the United States and any country in which we have significant operations or sales, or the implementation of government regulations in such a country, may result in the adoption or expansion of trade restrictions, including economic sanctions and export license requirements, that may harm our business.

We plan to expand our international operations, including to jurisdictions where we have limited operating experience and may be subject to increased business and economic risks that may harm our financial condition and results of operations.

We plan to continue the international expansion of our business operations. We may enter new international markets where we have limited or no experience in marketing, selling, and deploying our products and services. If we fail to deploy or manage our operations in these countries successfully, our business and operations may suffer. In addition, we are subject to a variety of risks inherent in doing business internationally, including:

- political, social and/or economic instability, including as a result of the ongoing conflict between Russia and Ukraine and in the Middle East;
- risks related to governmental regulations in foreign jurisdictions and unexpected changes in regulatory requirements and enforcement;
- existing trade laws and regulations, including those related to exports and deemed exports of U.S. technology;
- changes in trade relationships, including the imposition of new trade restrictions and sanctions, trade embargoes, trade protection measures, import or export requirements, entity lists, tariffs, quotas, and other trade barriers and restrictions, including those related to the ongoing trade disputes between China and the United States;
- fluctuations in currency exchange rates;
- higher levels of credit risk and payment fraud;

- enhanced difficulties of integrating any foreign acquisitions;
- burdens of complying with a variety of foreign laws;
- reduced protection for intellectual property rights in some countries and practical difficulties in enforcing intellectual property and other rights outside the United States;
- difficulties in staffing and managing global operations and the increased travel, infrastructure and legal compliance costs associated with multiple international locations and subsidiaries;
- new and different sources of competition;
- different regulations and practices with respect to employee/employer relationships, existence of workers' councils and labor unions, and other challenges caused by distance, language, and cultural differences, making it harder to do business in certain international jurisdictions;
- compliance with statutory equity requirements; and
- management of tax consequences.

If we are unable to manage the complexity of our global operations successfully, our results of operations and financial condition may be harmed.

Our business and ongoing expansion depends on attracting and retaining qualified personnel, especially our engineering and technical personnel.

Our success depends in large part on our ability to attract and retain highly qualified personnel. We strive to employ talented engineering and technical personnel, as well as effective sales, marketing, finance, and support employees, all of which are in high demand. Maintaining our brand and reputation, as well as a diverse and inclusive work environment that enables all our employees to thrive, is important to our ability to recruit and retain employees. There is intense competition for highly qualified technologists in the AI industry, particularly in the San Francisco Bay Area, where our headquarters are located, as well as in Toronto, Canada and in Bangalore, India, where we also have offices. We use various measures, including offering competitive salaries and benefits and an equity incentive program, to attract and retain the personnel we require to operate and grow our business effectively. However, these measures may not be sufficient, and our employees may decide not to continue working for us and leave us with little or no notice. Many of our competitors are significantly larger than we are, with greater financial resources and publicly traded stock, and may be able to offer more attractive compensation packages than we can, particularly with regard to equity compensation. As a result, it may be difficult for us to continue to retain and motivate these employees, and the value of their holdings could affect their decisions about whether or not they continue to work for us. Our ability to attract, retain and motivate employees may be adversely affected by declines in the price of our common stock. If we issue significant equity to attract employees or to retain our existing employees, we would incur substantial additional stock-based compensation expense and the ownership of our existing stockholders would be further diluted. In addition, some of our employees are employed with us on temporary work visas, and any change in U.S. or Canadian immigration laws affecting their status or such visas may make it difficult to retain such individuals or hire new personnel. The loss of even a few qualified employees, or an inability to attract, retain and motivate additional highly skilled employees could harm our ability to develop and sell our products, as well as our results of operations, and impair our ability to expand and grow our business.

As our company grows and evolves, we may need to implement more complex organizational management structures, adapt our corporate culture and work environments, streamline our organization, or adjust the size and structure of our workforce to scale for the future and execute our long-term growth plan. If we fail to attract new personnel, or to retain and motivate our current personnel, our business, financial condition, results of operations, and prospects could be harmed.

The loss of one or more members of our senior management team could harm our business.

We currently depend on the continued services and contributions of our senior management team, particularly the services of our co-founders, including our Chief Executive Officer and President, Andrew Feldman. The members of our senior management team and co-founders are at-will employees, which means that each person could resign or could be terminated for any reason at any time. Members of our senior management team, and in particular Mr. Feldman, are critical to the management of our company and instrumental in the development of our technology and our strategic direction, and should one or more of such persons stop working for us for any reason, it is unlikely that we would be able to immediately find a suitable replacement. We also do not maintain any key person life insurance policies. The loss of the services of any of them, other members of senior management, or members of our senior technology personnel, could disrupt our operations, hamper our ability to implement our business strategy, and harm our business, financial condition, results of operations, and prospects.

We may seek to expand our business through the acquisition of complementary businesses or technologies. Any future acquisitions and investments may disrupt our business and harm our financial condition and results of operations.

We may seek to expand our business and the products we offer, or our employee base through the acquisition of complementary businesses and technologies. We also may enter into relationships with other businesses to expand our platform, which could involve preferred or exclusive licenses, additional channels of distribution, discount pricing, or investments in other companies. Negotiating these transactions can be time-consuming, difficult, and expensive, and our ability to close these transactions may be subject to approvals that are beyond our control, including approvals related to foreign investments and acquisitions. In addition, we have not previously acquired another business. Even if we are able to identify a suitable acquisition or investment target, we may not be able to complete the acquisition on commercially reasonable terms or at all. We may expend a significant amount of time and incur significant out-of-pocket costs, as well as divert management attention, in connection with an acquisition that is not ultimately completed. If an acquired business fails to meet our expectations, our business, financial condition, results of operations, and prospects may be harmed.

In the event we do consummate an acquisition, we face a number of risks as a result, including:

- diversion of management time and focus;
- coordination of research and development and sales and marketing functions;
- retention and motivation of key employees from the acquired company;
- cultural challenges associated with integrating employees from the acquired company;
- integration of the acquired company's accounting, management information, human resources, and other administrative systems and processes;
- difficulty achieving the anticipated synergies of the transaction;
- liability for activities of the acquired company before the acquisition, including intellectual property infringement, violation, or misappropriation claims, violations of laws, commercial disputes, tax liabilities and other known and unknown liabilities; and
- litigation or other claims in connection with the acquired company, including claims from terminated employees, users, former stockholders or other third parties.

Our failure to address these risks or other problems encountered in connection with acquisitions could cause us to fail to realize the anticipated benefits of these acquisitions, cause us to incur unanticipated liabilities and harm our business generally. Future acquisitions could also result in dilutive issuances of our equity securities, the incurrence

of substantial amounts of debt, which could have terms that impose significant restrictions on our business, contingent liabilities, amortization expenses, incremental operating expenses, or the impairment of goodwill, any of which may harm our business, financial condition, results of operations, and prospects.

Our business is subject to the risks of earthquakes, fire, power outages, floods, and other natural disasters and catastrophic events, and to interruption by man-made problems such as war and terrorism.

A significant natural disaster or other catastrophic event, such as an earthquake, fire, flood, power outage, telecommunications failure, cyber-attack, war, terrorist attack, sabotage, other intentional acts of vandalism or misconduct, geopolitical event, pandemic, or other public health crisis, or other catastrophic occurrence may harm our business, financial condition, results of operations, and prospects. Our principal corporate offices and a significant number of our employees, as well as data centers in which we have deployed our products, are located in the San Francisco Bay Area, a region known for seismic activity. Geopolitical changes between China and Taiwan could also disrupt the operations of our Taiwan-based third-party wafer foundry and other suppliers, negatively impact delivery of products, and harm our business, financial condition, results of operations, and prospects. Furthermore, escalation of geopolitical tensions, including as a result of escalations in the ongoing conflict between Russia and Ukraine, the conflict in the Middle East, could have a broader impact that expands into other markets where we do business, which may harm our business, vendors, partners, customers, or the economy as a whole. Despite any precautions we may take, the occurrence of a natural disaster or other unanticipated problems could result in lengthy interruptions in our services or disruptions in our activities or the activities of our suppliers, manufacturers, partners, customers, or the economy as a whole. All of the aforementioned risks may be further increased if our disaster recovery plans prove to be inadequate. We do not carry business interruption insurance sufficient to compensate us for the potentially significant losses, including the potential harm to our business that may result from interruptions in our ability to provide our products and services. Any such natural disaster or man-made problem may harm our business, financial condition, results of operations, and prospects.

Risks Related to IT Systems, Cybersecurity, and Intellectual Property

Our business is dependent upon the proper functioning of our internal business processes and IT systems and modification or interruption of such systems may disrupt our business, processes, and internal controls.

We rely upon a number of internal business processes and IT systems to support key business functions, including our supply chain and inventory management systems, and the efficient operation of these processes and systems is critical to our business. Our business processes and IT systems need to be sufficiently scalable to support the growth of our business and may require modifications or upgrades that expose us to a number of operational risks. As such, our IT systems will continually evolve and adapt in order to meet our business needs. These changes may be costly and disruptive to our operations and could impose substantial demands on management time. These changes may also require changes in our IT systems, modification of internal control procedures and significant training of employees and third parties, as well as other resources. We continuously work on simplifying our IT systems and applications through consolidation and standardization efforts. There can be no assurance that our business and operations will not experience any disruption in connection with this transition. Our IT systems, and those of our third-party IT providers or business partners, may also be vulnerable to damage or disruption caused by circumstances beyond our control including catastrophic events, power anomalies or outages, natural disasters, viruses or malware, cyber-attacks, insider threat attacks, unauthorized system or data modifications, data breaches and computer system or network failures, exposing us to significant cost, reputational harm and disruption or damage to our business. In addition, as our IT environment continues to evolve, we are embracing new ways of communicating and sharing data internally and externally with customers and partners using methods such as mobility and the cloud that can promote business efficiency. However, these practices can also result in a more distributed IT environment, making it more difficult for us to maintain visibility and control over internal and external users, and meet scalability and administrative requirements. If our security controls cannot keep pace with the speed of these changes or if we are not able to meet regulatory and compliance requirements, or if we are unable to address any of the concerns described above, our business financial condition, results of operations, and prospects may be harmed.

Any failure of our IT systems or those of one or more of our IT service providers, business partners, vendors, suppliers, or other third-party service providers, or any other failure by such third parties to provide services to us may negatively impact our relationships with customers and harm our business.

Our business depends on various IT systems and outsourced IT services. We rely on third-party IT service providers, business partners, vendors, suppliers, and cloud-based service providers to provide critical IT system, corporate infrastructure, and other services and are, by necessity, dependent on them to adequately address cybersecurity threats to, and other vulnerabilities, defects, or deficiencies of or in their own systems. This includes infrastructure such as electronic communications, finance, marketing, and recruiting platforms and services such as IT network development and network monitoring, and third-party data center hosting of our systems for our internal and customer use. We do not own or control the operation of the third-party facilities or equipment used to provide such services. Our third-party vendors and service providers have no obligation to renew their agreements with us on commercially reasonable terms or at all. If we are unable to renew these agreements on commercially reasonable terms, including with respect to service levels and cost, or at all, we may be required to transition to a new provider, and we may incur significant costs and possible service interruption in connection with doing so. In addition, such service providers could decide to close their facilities or change or suspend their service offerings without adequate notice to us. Moreover, any financial difficulties, such as bankruptcy, faced by such vendors or cloud-based service providers, the nature and extent of which are difficult to predict, may harm on our business. Since we cannot easily switch vendors and cloud-based service providers, any disruption with respect to our current providers would impact our operations and our business may be harmed. Furthermore, our disaster recovery systems and those of such third parties may not function as intended or may fail to adequately protect our business information in the event of a significant business interruption, Any termination, failure, or other disruption of any of such systems or services of our third-party IT providers, business partners, vendors, suppliers, and cloud-based service providers could lead to operating inefficiencies or disruptions, which could harm our business, financial condition, results of operations, and prospects.

Product, IT system security, network, and data protection breaches, as well as cyber-attacks, incidents, or other unauthorized access to, or disclosure or other processing of, our proprietary, confidential, or sensitive information, including personal information, may disrupt our operations, reduce our expected revenue, increase our expenses, and harm our business and reputation.

In the ordinary course of our business, we and our third-party providers collect, store, and otherwise process confidential and sensitive information, including personal information about individuals such as our employees and customers as well as proprietary business information and intellectual property. We also process training and inference data provided to us by our customers and users, which may include personal information. This data, including the personal information, is processed on our IT systems as well as those provided by certain third-party providers upon whom we rely for critical services such as cloud-based infrastructure, encryption and authentication technology, employee email and other functions.

We and our providers face various evolving cybersecurity risks that threaten the confidentiality, integrity, and availability of our IT systems and data, including sensitive, proprietary, and personal information, that we process or that is processed on our behalf. These risks include physical or electronic break-ins, security or cybersecurity breaches, incidents and disruptions, computer malware, social-engineering attacks/phishing, ransomware, denial-of-service attacks, employee theft, misuse, or other malfeasance by insiders, human or technological error (such as software bugs, server malfunctions, hardware, or software failures), loss of data or other IT assets, and other cyber-attacks by threat actors.

Individuals, groups of hackers, and sophisticated organizations, including nation-states and nation-state-supported actors, terrorists, criminals, competitors, and other threat actors, have engaged and are expected to continue to engage in cyber-attacks. The techniques employed in such attacks (such as the use of emerging AI technologies), which we may not recognize until launched against a target or which may be difficult to discover for an extended period, change frequently and are becoming increasingly sophisticated, making it more difficult to successfully detect, defend against them or implement adequate preventative measures. We may also experience cybersecurity breaches that may remain undetected for an extended period. Even if identified, we may be unable to

adequately investigate or remediate incidents or breaches due to attackers increasingly using tools and techniques that are designed to circumvent controls, to avoid detection, and to remove or obfuscate forensic evidence. Such cyber-attacks and other cybersecurity breaches, incidents, or disruptions may continue to evolve in frequency, sophistication, and volume, and may be difficult to detect for long periods of time. Any of the foregoing breaches, incidents, or disruptions may compromise our networks, IT systems, or applications, or the data collected or processed on such systems, causing interruptions, delays, loss, or other operational malfunctions, which in turn could harm our business, financial condition, results of operations, and prospects.

Certain aspects of effective cybersecurity are dependent upon our employees, contractors, or other third-party service providers safeguarding our sensitive information and adhering to our security policies and access control mechanisms, and we may face cybersecurity threats due to error or intentional misconduct by such employees, contractors, or other third-party service providers. Remote and hybrid working arrangements at our company (and at many third-party providers) also increase cybersecurity risks due to the challenges associated with managing remote computing assets and security vulnerabilities that are present in many non-corporate and home networks. Additionally, due to geopolitical conflicts and during times of war or other major conflicts, we and the third parties we rely upon may be vulnerable to a heightened risk of cyber-attacks that could materially disrupt our ability to provide services and products.

Like many other companies, we and our third party providers may experience security incidents, cyber-attacks, or other unauthorized access to, or disclosure or other processing of, our proprietary, confidential or sensitive information, including arising from a failure to properly handle IT systems and the data that is processed through them, including personal information, or to adhere to our security policies and access control mechanisms and, although no such events have had a material adverse effect on our business to date, there can be no assurance that we will not have a materially adverse incident in the future. To defend against security incidents, we must continuously engineer more secure products and enhance security and reliability features. We must also continue to develop our security measures, including training programs and security awareness initiatives, as well as vendor management processes, designed to ensure that we and our suppliers have appropriate security measures in place, and continue to meet the evolving security requirements of our customers, applicable industry standards, and government regulations. While we invest in training programs and security awareness initiatives and take steps to detect and remediate vulnerabilities, we may not always be able to prevent threats or detect and mitigate all vulnerabilities in our security controls, systems, or software, including third-party software we have installed, as such threats and techniques change frequently and may not be detected until after a security incident has occurred.

Further, we cannot guarantee that third parties and infrastructure in our supply chain or our partners' supply chains have not been compromised or that they do not contain exploitable vulnerabilities, defects, or bugs that could result in a breach of or disruption to our IT systems, including our products and services, or the third-party IT systems that support our services. We may also incorporate third-party data into our AI algorithms or use open-source datasets to train our algorithms. These datasets may be flawed, insufficient, or contain certain biased information, contain information (including intellectual property and confidential, proprietary, or personal information) for which the third party did not have appropriate rights, and may otherwise be vulnerable to security incidents, or negatively affect safety, security, and other functioning of our AI compute solutions. We may have limited insight into the data privacy or security practices of third-party suppliers, including with respect to our AI models. Our ability to monitor these third parties' information security practices is limited, and they may not have adequate information security or legal compliance measures in place or sufficient rights in the underlying data to make them available. In addition, if one of our third-party suppliers suffers a security incident, our response may be limited or more difficult because we may not have direct access to their systems, logs and other information related to the security incident. Finally, we may experience delays in developing and deploying remedial measures designed to address identified vulnerabilities on our IT systems or those of our third-party providers. These vulnerabilities could, if exploited, result in a security incident.

Actual or perceived breaches of our security measures or unapproved access to our dissemination of proprietary, confidential, or sensitive information, including personal information, about or by us or third parties, could expose us and the parties affected to a risk of loss, or misuse of this information, potentially resulting in litigation (including class actions) and subsequent liability, regulatory inquiries or actions including potential penalties and fines,

additional reporting requirements or other oversight, restrictions on processing data, indemnification obligations, being required to provide credit monitoring or identity-theft prevention services, diversion of funds, diversion of management attention, financial loss, loss of data, material disruptions in our systems and operations, supply chain, and ability to produce, sell and distribute our products and services, damage to our brand and reputation or erosion confidence in the effectiveness of our security measures, or significant incident response, system restoration or remediation, and future compliance costs or other harms, which may harm our business, financial condition, results of operations, and prospects. Applicable data privacy and security obligations may also require us to notify relevant stakeholders, including affected individuals, customers, regulators, and investors, of security incidents, and investigations into and mandatory disclosures with respect to such incidents could be costly and lead to negative publicity.

While our insurance policies include liability coverage for certain of these matters, subject to retention amounts that could be substantial, if we experience a significant security breach, incident or disruption, we could be subject to liability or other damages that exceed our insurance coverage and we cannot be certain that such insurance policies will continue to be available to us on economically reasonable terms, or at all, or that any insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could adversely affect our business, financial condition, results of operations, and prospects.

Failure to obtain, maintain, protect, or enforce our intellectual property rights could harm our brand, business, and results of operations.

We regard the protection of our intellectual property as critical to our success. We strive to protect our intellectual property rights by relying on a combination of patent, trademark, trade secret, unfair competition and other related laws in the United States and internationally as well as confidentiality procedures and contractual provisions to protect and establish our rights in our intellectual property, including our proprietary technologies and know-how. We spend significant resources to monitor and protect our intellectual property rights, including monitoring the unauthorized use of our products, but even with significant expenditures, we may not be able to protect the intellectual property rights that are valuable to our business. In particular, we are unable to predict or assure that:

- our intellectual property rights will not lapse or be invalidated, circumvented, challenged, or, in the case of third-party intellectual property rights licensed to us, be licensed to others;
- our intellectual property rights will provide competitive advantages to us;
- rights previously granted by third parties to intellectual property licensed or assigned to us, including portfolio cross-licenses, will not hamper our ability to assert our intellectual property rights or hinder the settlement of currently pending or future disputes;
- any of our pending or future patent, copyright, or trademark applications will be issued or have the coverage originally sought;
- we will be able to enforce our intellectual property rights in certain jurisdictions where competition is intense or where legal protection may be weak; or
- we have sufficient intellectual property rights to protect or continue to offer our products or services or operate our business.

We pursue the registration of our patents, trademarks, service marks, and domain names in the United States and in certain foreign jurisdictions. We cannot guarantee that any pending or future patent applications will be issued to have the coverage originally sought, and even if the pending patent applications are granted, the rights granted to us may not be meaningful or provide us with any commercial advantage. Additionally, our patents could

be opposed, contested, narrowed, circumvented, challenged, abandoned, or designed around by our competitors or be declared invalid or unenforceable in judicial or administrative proceedings. The patent prosecution process is expensive, time-consuming, and complex, and we have not in the past, and may not in the future be able to file, prosecute, maintain, enforce, or license all necessary or desirable patent applications at a reasonable cost or in a timely manner. Since we may not have sufficient resources or capital to pursue patent registration for our patentable technology, our competitors could gain a competitive advantage if we fail to adequately protect such technologies as trade secrets such that a competitor could develop similar technologies and pursue and obtain patent registration for those technologies that would exclude us from continuing to use the patented technology, even if the technology was initially proprietary to us. It is also possible that we will fail to identify patentable aspects of our research and development output in time to obtain patent protection. Failure to timely seek patent protection on products or technologies generally precludes us from seeking future patent protection on these products or technologies. Even if we do timely seek patent protection, the coverage claimed in a patent application can be significantly reduced before a patent is issued, and its scope can be reinterpreted after issuance, and as a result we can give no assurance that any patents that we have issued or may have issued in the future will protect all significant aspects or components of our current and future products or services, will provide us with any competitive advantage, or will not be challenged, invalidated or circumvented in the future. Furthermore, we may not be able to obtain or maintain patent applications and patents due to the subject matter claimed in such patent applications and patents being in disclosures in the public domain. In addition, when patents expire, we lose the protection and competitive advantages they originally provided to us.

Additionally, we believe that our success also depends on the technical expertise we have developed in designing, testing, and manufacturing products, and we rely on confidential and proprietary information to develop and maintain our competitive position. As a result, we also typically enter into confidentiality and invention assignment agreements with our employees, contractors, and business partners in order to limit access to, and disclosure and use of, our proprietary information. However, we cannot guarantee we have entered into such agreements with each party that has or may have had access to our trade secrets, confidential or proprietary information, or technology, including our AI products and solutions. Even if entered into, these contractual arrangements and the other steps we have taken to protect our intellectual property may not prevent the misappropriation, infringement, violation, dilution, or disclosure of our confidential or proprietary information or technology, including our AI solutions, trade secrets, or intellectual property rights, or deter independent development of similar or competing technologies by others.

Obtaining and maintaining effective intellectual property rights, including the costs of defending our rights is expensive. We have obtained a number of issued patents, and are seeking additional patent protection, and to register our trademarks and domain names in the United States and in certain foreign jurisdictions. These processes are expensive and may not be successful in all jurisdictions or for every such application, and we may not pursue such protections in all jurisdictions that may be relevant. Further, effective intellectual property protections may not be available in every country in which we offer our products or services, and even where present, the laws of such countries may not recognize intellectual property rights or protect them to the same extent as their equivalents in the United States. Additionally, any changes in, or unexpected interpretations of, intellectual property laws may compromise our ability to enforce our trade secret and intellectual property rights. Any of the foregoing could make it difficult for us to stop the infringement, misappropriation, dilution or other violation of our intellectual property or marketing of competing products or services, and any failure to obtain or maintain adequate protection of our trade secrets or other intellectual property rights may harm our competitive position and may harm our business, financial condition, results of operations, and prospects.

Litigation may be necessary to enforce our intellectual property rights, protect our proprietary rights, or determine the validity and scope of proprietary rights claimed by others. Any actual or threatened litigation of this nature, regardless of outcome or merit, could result in substantial costs and diversion of management and technical resources, any of which may harm our business, financial condition, results of operations, and prospects. In addition, we believe that the protection of our trademark rights is an important factor in product recognition, protecting our brand and maintaining goodwill and if we do not adequately protect our rights in our trademarks from infringement, any goodwill that we have developed in those trademarks could be lost or impaired, which may harm our brand and our business. There may be potential trade name or trademark infringement claims brought by owners of other

trademarks that are similar to our trademarks, and as a result, we may incur significant costs in enforcing our trademarks against those who attempt to imitate the "Cerebras" brand and other valuable trademarks and service marks. If we fail to maintain, protect, and enhance our intellectual property rights, our brand, business, and results of operations may be harmed.

Further, we may acquire companies with intellectual property that is subject to certain licensing obligations or restrictions. These licensing obligations may extend to our own intellectual property following any such potential acquisition and may limit our ability to assert, protect, or otherwise use our intellectual property rights. From time to time, we may pursue litigation to assert our intellectual property rights, including, in some cases, against our customers and suppliers, where we believe they have infringed, misappropriated, or otherwise violated any of our intellectual property rights. Conversely, third parties have and may in the future pursue intellectual property litigation against us. Claims of any of the foregoing could also harm our relationships with our manufacturers and customers and might deter future manufacturers and customers from doing business with us. Furthermore, an adverse decision in any such legal action may result in material expense and limit our ability to assert our intellectual property rights and limit the value of our products and services, which may otherwise harm our business, financial condition, results of operations, and prospects.

Our ability to design and introduce new products in a timely manner includes the use of certain third-party intellectual property.

In the design and development of new and enhanced products and services, including AI computing solutions, we rely on certain third-party intellectual property, such as development and testing tools for certain hardware and software. Further, we have, on occasion, leveraged third parties for software development. Furthermore, certain of our product features may rely on intellectual property acquired from third parties that incorporate into our hardware or software. The design requirements necessary to meet customer demand for more features and greater functionality from semiconductor products may exceed the capabilities of the third-party intellectual property or development or testing tools available to us. If the third-party intellectual property that we use becomes unavailable, is not available with required functionality or performance in the time frame or price point needed for our new products or fails to produce designs that meet customer demands, or laws are adopted that affect our use of third party intellectual property in certain regions or products, our business, financial condition, results of operations, and prospects may be harmed.

We may face claims of intellectual property infringement, misappropriation, dilution, or other violations, which could be time-consuming or costly to defend or settle, result in the loss of significant rights or harm our relationships with our customers or reputation in the industry.

Third parties have in the past, and may in the future, assert against us their patent and other intellectual property rights to technologies or information that are used in or are important to our business, which may be time consuming and costly to defend or settle. We have in the past, and may in the future, particularly as a public company with an increased profile and visibility, receive communications from others alleging our infringement, misappropriation, dilution, or other violation of intellectual property rights. In addition, in the event that we recruit employees or contractors from other companies, including certain potential competitors, and these employees or contractors are involved in the development of products that are similar to the products they assisted in developing for their former employers, we may become subject to claims that such employees or contractors have used or disclosed trade secrets or other proprietary information in an unauthorized manner. We may also in the future be subject to claims by our third-party suppliers, employees, or contractors asserting an ownership right in our issued patents, pending patent applications or other intellectual property, including our AI solutions, as a result of the work they performed on our behalf, or claims for indemnification by our customers who are subject to infringement or other claims by third parties.

While we do not license for profit, sell access to, or otherwise derive revenue directly from the use of AI models, we have trained AI models on publicly available datasets, similar to many other developers of AI models, and released certain of such models to the community under certain open-source licenses. We also provide AI model services to our customers, where we leverage our expertise to help customers train their models with architectures,

parameter sizes, and data sets and types of their choosing, which may include publicly available or proprietary data sets or a combination of both. The act of such training necessarily involves transmission and use of certain data on our systems. Like other developers of AI models who are subject to litigation and other disputes arising from the training, fine-tuning, use, or development of AI models, we too may face lawsuits alleging that we reproduced, copied, displayed, distributed, or made derivative works of, or otherwise misused copyrighted materials to train our or our customers' AI models without the authorization of the relevant copyright owners, or otherwise infringed third-party proprietary rights in training data, including rights of publicity. However, this remains an unsettled area of U.S. law and U.S. courts are currently weighing a number of lawsuits involving claims that the reproduction of data for training AI models, or the use of AI models trained on copyrighted data, infringes the rights of copyright holders. In addition, we have and may continue to fine-tune certain third-party AI models. While we believe we are in compliance with the applicable license terms of such models, the interpretation of such licenses may vary and have not been tested in litigation, and we may be subject to claims that we have violated the terms of such licenses.

Claims that our products or processes infringe, misappropriate, dilute, or otherwise violate third-party intellectual property rights, regardless of their merit or resolution, could be time-consuming or costly to defend or settle and could divert the efforts and attention of our management and technical personnel. Infringement claims also could harm our relationships with our customers and might deter future customers from doing business with us. We do not know whether we would prevail in these proceedings given the complex technical issues and inherent uncertainties in intellectual property litigation. If any pending or future proceedings result in an adverse outcome, we could be required to:

- cease the manufacture, use, or sale of the infringing products or processes;
- pay substantial damages for infringement, misappropriation, dilution, or other violation, including enhanced damages for any willful infringement;
- expend significant resources to develop non-infringing products or processes, which may not be successful;
- license certain components or data from the third-party claiming infringement, which license may not be available on commercially reasonable terms, or at all;
- cross-license our products to a competitor to resolve an infringement claim, which could weaken our ability to compete with that competitor; or
- pay substantial damages to our customers or end-users to discontinue their use of or to replace infringing product or process sold to them with non-infringing products or processes, if available.

Additionally, even if successful in any such proceedings, our rights in our products or services and other intellectual property may be invalidated, encumbered, narrowed, or otherwise diminished. Moreover, there could be public announcements of the results of hearings, motions or other interim proceedings or developments, and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Any of the foregoing results may harm our business, financial condition, results of operations, and prospects. Litigation against our customers as a result of third-party claims of intellectual property infringement could trigger indemnification obligations under some of our agreements, which could result in substantial expense to us, and which may materially harm our business, financial condition, results of operations, and prospects.

Certain of our intellectual property has been and may be developed under research agreements with U.S. government entities, and may be subject to federal regulations that limit our exclusive rights in certain circumstances.

Certain of our intellectual property that generally pertain to applications outside of our offerings in the AI computing market has been and may be developed under contracts with U.S. government entities. As a result, the U.S. government may have certain rights to intellectual property that we use in our current or future products

pursuant to the Bayh-Dole Act of 1980, as amended (the "Bayh-Dole Act") or as otherwise required by our contractual arrangements. Under the Bayh-Dole Act, U.S. government rights in certain "subject inventions" developed under such contracts include a nonexclusive, non-transferable, and irrevocable worldwide license to use inventions for any governmental purpose. In addition, the U.S. government has the right to require us, or an assignee or exclusive licensee to such inventions, to grant licenses to these inventions to the U.S. government or a third party if the U.S. government determines that: (i) adequate steps have not been taken to commercialize the invention; (ii) government action is necessary to meet public health or safety needs; (iii) government action is necessary to meet requirements for public use under federal regulations; or (iv) the right to use or sell such inventions is exclusively licensed to an entity within the United States and substantially manufactured outside the United States without the U.S. government's prior approval. We may lose exclusivity to our intellectual property rights if we fail to comply with reporting obligations regarding subject inventions, fail to file for patent protection within specified time limits, or fail to comply with other relevant Bayh-Dole Act restrictions. If any of our intellectual property becomes subject to the rights or remedies available to the U.S. government or third parties pursuant to the Bayh-Dole Act or related contractual arrangements, the value of our intellectual property may be impaired and our business may be harmed.

Our use of third-party open-source software may pose risks to our proprietary software and services in a manner that may harm our business.

Certain of our software, as well as that of our vendors or partners, may use or be derived from "open-source" software that is generally made available to the public by its authors or other third parties. Some open-source software licenses require end-users, who use, distribute or make available across a network software and services that include open-source software, to make publicly available or to license at no cost all or part of such software (which in some circumstances may include valuable proprietary code, such derivative works of the open-source software) under the terms of the particular open-source license. These obligations may require us to make source code for the derivative works available to the public or license such derivative works under a particular type of license rather than the more limited access rights we customarily grant our customers and their users. This type of licensing may subject us to disclosure of valuable, proprietary software code.

While our policies and processes are intended to enable us to monitor and comply with the licenses of third-party open-source software and protect our valuable proprietary source code, we may inadvertently use third-party open-source software in a manner that exposes us not only to the risk of a forced disclosure of our own proprietary software, but also to claims of non-compliance with the terms of third-party licenses, including claims of infringement or for breach of contract. We cannot be sure that all open-source software is identified, reviewed, or submitted for approval prior to use in our operations or platform. Also, there exists today an increasing number of types of open-source software licenses, and those licenses may not yet have faced legal challenges in courts that could result in guidance to users in their efforts to avoid legal issues. If we were to receive a claim of non-compliance with the terms of any of these licenses, not only would the potential exposure of our own source code be very harmful to us, but we may be required to invest substantial time and resources to re-engineer some of our software or license alternative software on terms unfavorable to us. Any of the foregoing may disrupt and harm our intellectual property, business, financial condition, results of operations, and prospects.

Additionally, the use of certain open-source software can lead to greater risks than use of third-party commercial software, as open-source licensors generally do not provide warranties or controls on the functionality or origins of software or other contractual protections regarding infringement claims or the quality of the licensed code, including with respect to security and architectural vulnerabilities. There is typically no support available for open-source software and such software is ordinarily provided on an "as-is" basis, and we cannot be sure that the authors of such open-source software will implement or push updates to address security risks or will not abandon further development and maintenance. Many of the risks associated with the use of open-source software, such as the lack of warranties or assurances of title or performance, cannot be eliminated, and could, if not properly addressed, negatively affect our business. Use of open-source software may also present additional security risks because the public availability of such software may make it easier for hackers and other third parties to determine how to compromise our services. Further, our use of any AI solutions that use or incorporate any open-source

software may heighten any of the foregoing risks. Any of these risks could be difficult to eliminate or manage, and, if not addressed, may harm our business, financial condition, results of operations, and prospects.

Risks Related to Legal and Regulatory Matters

Sales to government entities and highly regulated organizations are subject to a number of challenges and risks.

We have sold in the past, and may sell in the future, products to governmental agencies or entities and customers in highly regulated industries, such as healthcare and financial services. Selling to such entities can be highly competitive, expensive, and time consuming, often requiring significant upfront time and expense without any assurance that these efforts will generate a sale. In addition, government demand and payment for our products are affected by changes in administration, public sector budgetary cycles and funding authorizations, and government contracting requirements may change from time to time, any of which can limit our ability to sell into the government sector. In certain foreign jurisdictions, our ability to win business may be constrained by political or other factors unrelated to our competitive position in the market.

Further, government and other highly regulated entities can have more complex IT and data environments, and often have longer implementation or deployment cycles than others. They have and may continue to demand contract terms that differ from our standard arrangements and may be less favorable than terms agreed with other private sector customers, and may expect greater payment flexibility. Government contracts may contain provisions that give the government substantial rights and remedies, many of which are not typically found in commercial contracts, including provisions relating to intellectual property "march-in" rights, preferential pricing, refund rights, obligation modifications, U.S. manufacturing requirements, export control, and termination or non-renewal due to funding availability.

Government contracting requirements may change and in doing so restrict our ability to sell into the government sector until we have obtained any required government certifications. Further, to contract with certain government agencies, some of our employees may be required to have security clearances. Obtaining and maintaining such security clearances is a lengthy process. If our employees are unable to obtain or maintain such clearances, or we cannot recruit employees with such clearances, it would harm our ability to sell to, or work with, such government agencies, which may harm our business, results of operations, and financial condition. Government demand and payment for our products and services are affected by public sector budgetary cycles and funding authorizations, with funding reductions or delays adversely affecting public sector demand for our solutions.

As a government contractor or subcontractor, we must comply with laws, regulations, and contractual provisions relating to the formation, administration, and performance of government contracts, all of which may impose additional costs on our business. Governments routinely investigate and audit government contractors' administrative processes, and any unfavorable audit could result in the government refusing to continue purchasing our products and services. In addition, as a result of actual or perceived noncompliance with government contracting laws, regulations, or contractual provisions, we may be subject to non-ordinary course audits and internal investigations which may prove costly to our business financially, divert management attention or limit our ability to continue selling our products and services to our government customers. Failure to comply with these or other applicable regulations and requirements could lead to claims for damages, downward contract price adjustments or refund obligations, civil or criminal penalties, and termination of contracts and suspension or debarment from government contracting for a period of time with government agencies. Any such damages, penalties, disruption of, or limitation in our ability to do business with a government would harm our reputation, business, financial condition, results of operations, and prospects.

Our global operations expose us to numerous legal and regulatory requirements and failure to comply with such requirements, including unexpected changes to such requirements, may harm our results of operations.

We service our customers around the world. We are subject to numerous, and sometimes conflicting, legal regimes of the United States and foreign national, state, and provincial authorities on matters as diverse as anti-corruption, trade restrictions, tariffs, taxation, sanctions, anti-competition, intellectual property, data security, and

privacy. U.S. laws may be different in significant respects from the laws of countries where we operate or we or our customers may enter, forcing businesses to choose between compliance with conflicting legal regimes. We also may seek to expand operations in emerging market jurisdictions where legal systems are less developed or familiar to us.

In addition, there can be no assurance that the laws or administrative practices relating to taxation (including the current position as to income and withholding taxes), foreign exchange, export controls, economic sanctions, or otherwise in the jurisdictions where we have operations will not change. Changes in tax laws in some jurisdictions may also have a retroactive effect and we may be found to have paid less tax than required in such jurisdictions. Compliance with diverse legal requirements is costly, time consuming and requires significant resources. Violations of one or more of these regulations in the conduct of our business could result in significant fines, criminal sanctions against us or our officers, prohibitions on doing business and damage to our reputation. Violations of these regulations in connection with the performance of our obligations to our customers also could result in liability for significant monetary damages, fines or criminal prosecution, unfavorable publicity and other reputational damage, and allegations by our customers that we have not performed our contractual obligations. Due to the varying degrees of development of the legal systems of the countries in which we operate, local laws might be insufficient to protect our rights.

Our global operations and collection, storage, use and other processing of proprietary, confidential, and sensitive information, including personal information, expose us to numerous data privacy and security laws, regulations, contractual requirements, and other obligations relating to data privacy and security, and the actual or perceived failure to comply with such obligations, including unexpected changes to such obligations, may harm our business, financial condition, results of operations, and prospects.

The processing of personal information, including the personal information of our employees and customers, makes us, or may make us, subject to a complex patchwork of evolving data privacy and security laws that are not always interpreted uniformly. Additionally, we may be bound by contractual requirements applicable to our collection, storage, transmission, use and other processing of proprietary, confidential, and sensitive information, including personal information, and may be bound or asserted to be bound by, or voluntarily comply with, self-regulatory or other industry standards relating to the processing of such information. These laws, rules, regulations, industry standards, contractual requirements and other obligations are constantly evolving, and we expect that we will continue to become subject to new proposed laws, rules, regulations, industry standards, contractual requirements and other obligations in the United States and other jurisdictions where we operate. This evolution, among other things, may create uncertainty in our business; affect us or our collaborators', service providers' and contractors' ability to operate in certain jurisdictions or to collect, store, transfer, use and share personal information; necessitate the acceptance of more onerous obligations in our contracts; result in liability; or impose additional costs on us; necessitate changes to our IT systems, and practices and to those of any third parties that process personal information on our behalf, or require us to change our business model. There is no guarantee that regulators or consumers will agree with our approach to compliance and any failure, or perceived failure, to comply with applicable data privacy or security laws or regulations may harm our business, financial condition, results of operations, and prospects.

In the United States, numerous state and federal laws, regulations, standards, and other legal obligations, including consumer protection laws and regulations, which govern the collection, dissemination, use, access to, confidentiality, security, and other processing of personal information, including health-related information, apply to our operations or the operations of our customers, third-party service providers, or partners. For example, the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder ("HIPAA") imposes privacy, security, and breach notification obligations on certain healthcare providers, health plans, and healthcare clearinghouses, known as covered entities, as well as their business associates that perform certain services that involve creating, receiving, maintaining, or transmitting individually identifiable health information for or on behalf of such covered entities, and their covered subcontractors. Among other requirements, HIPAA requires business associates to develop and maintain policies with respect to the protection of, use and disclosure of protected health information ("PHI"), including the adoption of administrative, physical, and technical safeguards to protect such information, certain notification requirements in the event of a breach of unsecured PHI, and requirements to report breaches of unsecured PHI to covered entities within 60 days of discovery of the breach by the business associate or

its agents. Depending on the facts and circumstances, we could be subject to significant civil, criminal, and administrative fines and penalties and/or additional reporting and oversight obligations if found to be in violation of HIPAA.

We are also subject to the rules and regulations promulgated under the authority of the Federal Trade Commission ("FTC"), which, together with many state Attorneys General, has the authority to regulate and enforce against unfair or deceptive acts or practices in or affecting commerce, including acts and practices with respect to privacy, data protection and cybersecurity. For example, according to the FTC, failing to take appropriate steps to keep consumers' personal information secure can constitute unfair acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act. The FTC expects a company's data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities. Congress also has considered, and continues to consider, many proposals for comprehensive national privacy, data protection, and cybersecurity legislation, including with respect to AI, to which we may become subject if enacted.

Certain U.S. states have also adopted comparable data privacy and security laws and regulations, which govern the privacy, processing, and protection of personal information. Such laws and regulations will be subject to interpretation by various courts and other governmental authorities, thus creating potentially complex compliance issues for us and our future customers and strategic partners. For example, the California Consumer Privacy Act, as amended by the California Privacy Rights Act (collectively, the "CCPA"), provides for enhanced privacy rights for California residents and requires covered businesses that process the personal information of California residents to, among other things: (i) provide certain disclosures to California residents regarding the business's collection, use, and disclosure of their personal information; (ii) receive and respond to requests from California residents to access, delete, and correct their personal information, or to opt out of certain disclosures of their personal information; and (iii) enter into specific contractual provisions with service providers that process California resident personal information on the business's behalf. The CCPA is enforced by the California Attorney General and the California Privacy Protection Agency ("CPPA"), and provides for civil penalties for certain violations, as well as a private right of action for certain data breaches that may increase the likelihood of and risks associated with data breach litigation. In addition, numerous other states have enacted, or are in the process of enacting or considering, comprehensive state-level privacy, data protection and cybersecurity laws, rules and regulations that share similarities with the CCPA, which creates the potential for a patchwork of overlapping but different domestic privacy laws. In addition, all 50 states have laws that require the provision of notification for breaches of personal information to affected individuals, state officers or others. Non-compliance with HIPAA, FTC rules and regulations, the CCPA, or other U.S. privacy laws may result in enforcement actions, litigation, or other disputes and expose us to additional liability, which could harm our business, financial condition, results of operations, and prospects.

We are also required or may be required to comply with foreign data privacy and security laws in jurisdictions in which we have offices or conduct business. For example, in Europe, the EU General Data Protection Regulation and applicable national supplementing laws (collectively, the "GDPR") impose strict requirements for processing the personal data of individuals within the European Economic Area ("EEA") or for activities within the EEA. Following the withdrawal of the UK from the EU, we may also be subject to the UK General Data Protection Regulations and Data Protection Act 2018 (collectively, the "UK GDPR"). The GDPR and UK GDPR are wide-ranging in scope and impose numerous additional requirements on companies that process personal data, including imposing special requirements in respect of the processing of personal data, requiring that consent of individuals to whom the personal data relates is obtained in certain circumstances, requiring additional disclosures to individuals regarding information processing activities, requiring that safeguards are implemented to protect the security and confidentiality of personal data, creating mandatory data breach notification requirements in certain circumstances and requiring that certain measures (including contractual requirements) are put in place when engaging third-party processors. The GDPR and UK GDPR also provide individuals with various rights in respect of their personal data, including rights of access, erasure, portability, rectification, restriction, and objection. Failure to comply with the GDPR and the UK GDPR can result in significant fines and other liability. European data protection authorities have shown a willingness to impose significant fines and issue orders preventing the processing of personal information on non-compliant businesses and have imposed fines for GDPR violations up to, in some cases, hundreds of millions of Euros. While the UK GDPR currently imposes substantially the same obligations as the GDPR, any changes to

the GDPR going forward need to be specifically incorporated by the UK government. Moreover, the UK government has announced plans to reform the UK GDPR in ways that, if formalized, are likely to deviate from the GDPR, all of which creates a risk of divergent parallel regimes and related uncertainty, along with the potential for increased compliance costs and risks for affected businesses.

Among other requirements, the GDPR regulates transfers of personal data subject to the GDPR or UK GDPR to so-called third countries outside the EEA and the UK that have not been determined by the relevant data protection authorities to provide an adequate level of protection to such personal data, including the United States, and the efficacy and longevity of current transfer mechanisms between the EEA, and the United States remains uncertain. Case law from the Court of Justice of the EU ("CJEU") indicates that reliance on the standard contractual clauses—a standard form of contract approved by the European Commission as an adequate personal data transfer mechanism—alone may not necessarily be sufficient in all circumstances and that transfers must be assessed on a case-by-case basis. In July 2023, the European Commission adopted an adequacy decision in relation to the new EU-U.S. Data Privacy Framework ("DPF") rendering the DPF effective as a GDPR transfer mechanism for personal data transferred from the EEA to the U.S. by U.S. entities self-certified under the DPF. In October 2023, the UK Extension to the DPF came into effect, as approved by the UK government, as a data transfer mechanism from the UK to U.S. entities self-certified under the DPF. However, the DPF adequacy decisions do not foreclose, and are likely to face, future legal challenges and the ongoing legal uncertainty with respect to international data transfers may increase our costs and our ability to efficiently process personal data from the EEA or the UK. In addition to the ongoing legal uncertainty with respect to data transfers from the EEA or the UK, additional costs may need to be incurred in order to implement necessary safeguards to comply with the GDPR and the UK GDPR, and potential new rules and restrictions on the flow of data across borders could increase the cost and complexity of conducting business in some markets. If our policies and practices or those of our third-party vendors, service providers, contractors or consultants are, or are perceived to be, insufficient, or if our customers or others have concerns regarding our transfer of personal data from the EEA or the UK to the United States, we could be subject to enforcement actions or investigations, including by individual EU or UK data protection authorities, or lawsuits by private parties. Other jurisdictions outside the EU and the UK are similarly introducing or enhancing privacy, data protection and cybersecurity laws, rules, and regulations, which could increase our compliance costs and the risks associated with noncompliance. We cannot yet fully determine the impact these or future laws, rules, and regulations may have on our business or operations. These laws, rules and regulations may be inconsistent from one jurisdiction to another, subject to differing interpretations and may be interpreted to conflict with our practices.

While we have implemented various measures to help ensure that our policies, processes, and systems are in compliance with our legal obligations with respect to our collection, storage, use and other processing of proprietary, confidential and sensitive information, including personal information, any inability, or perceived inability, to adequately address privacy concerns or comply with applicable laws, even if unfounded, may result in significant regulatory and third-party liability, increased costs, disruption of our business and operations, and a loss of client confidence and other reputational damage. Furthermore, as new privacy-related laws and regulations are implemented, the time and resources needed for us to seek compliance with such laws and regulations continues to increase.

The AI industry is subject to complex, evolving regulatory, statutory, and other requirements that may be difficult and expensive to comply with and that could negatively impact our business.

The regulatory framework for our products and services, including our AI computing solutions and AI model services, is rapidly evolving as many federal, state, and foreign government bodies and agencies have introduced or are currently considering additional laws and regulations related to AI. Additionally, existing laws and regulations may be interpreted in ways that would affect our or our customers' operations, or our ability to offer our AI products and services in the markets in which we operate. As a result, implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future, and we cannot yet determine the impact future laws, regulations, standards, or market perception of their requirements may have on our business, and we may not be able to adequately anticipate or respond to these evolving laws or regulations. In addition, because AI-related technologies are themselves highly complex and rapidly developing, it is not possible to predict all of the legal or regulatory risks that may arise relating to our use of such technologies. New laws, guidance or decisions in this area

could provide a new regulatory framework that may require us to adjust and make changes to our operations that may decrease our operational efficiency, resulting in an increase to operating costs and/or hindering our ability to improve our products and services.

Already, certain existing legal regimes (including, those related to data privacy and cybersecurity) regulate certain aspects of AI models and automated decision-making, and new laws regulating AI technologies are expected to enter into force in the United States and the EU in 2024. For example, in the United States, the 2023 AI Order sets out principles intended to guide the design, development, deployment and use of AI and signals the increase in U.S. governmental involvement and regulation over AI. The 2023 AI Order also instructed several other agencies to promulgate additional regulations within specific timeframes from the date of the 2023 AI Order regarding the use and development of AI. Already agencies such as the Department of Commerce, the FTC, and the Department of Health and Human Services have issued proposed rules governing the use and development of AI. Legislation related to AI has also been introduced at the federal level and is advancing at the state level. For example, Utah recently passed the AI Policy Act, which took effect in May 2024, imposing certain disclosure requirements on the use of AI, and Colorado enacted the Colorado AI Act, which will take effect in February 2026. In addition, the CPPA is currently in the process of finalizing regulations under the CCPA regarding the use of automated decision-making, and the California state legislature is considering several bills related to AI that would impose additional requirements on users, developers, and providers of AI systems. Any of such regulations, or any similar regulations, may impact the development, use, and commercialization of AI in the future.

Further, in Europe, the AI Act, which establishes a comprehensive, risk-based governance framework for AI in the EU market applies to, amongst other entities, providers, importers, and distributors of AI systems or general-purpose AI models that are placed on the EU market or put into service or used in the EU. The AI Act entered into force in August 2024, with the majority of the AI Act's substantive requirements coming into effect in 2026. The AI Act establishes a risk-based governance framework for regulating high-risk AI systems and categorizes AI systems based on the risks associated with such AI systems' intended purposes as creating "unacceptable," "high," or "limited" risks. The AI Act also includes various requirements for providers, importers, distributors, and users of AI systems, including with respect to transparency, conformity assessments and monitoring, risk assessments, human oversight, security and accuracy, general-purpose AI models, and foundation models, and introduces significant fines for noncompliance. While the AI Act has yet to be enforced, there is a risk that our current or future products and services may be subject to heightened obligations under the AI Act (including, for example, by being categorized as "high risk" AI systems under the AI Act), requiring us to comply with the applicable requirements of the AI Act, which may impose additional costs on us, increase our risk of liability or adversely affect our business. Even if our products and services are not categorized as "unacceptable" or "high" risk, we may be subject to additional transparency and other obligations for providers, distributors, or importers of AI systems, which may require us to expend resources to comply with such obligations. In addition, in September 2022, the European Commission proposed two Directives seeking to establish a harmonized civil liability regime for the use of AI technologies in the EU ("AI Liability Directives"). There are also specific obligations regarding the use of automated decision-making under the GDPR. The AI Act, AI Liability Directives, and GDPR may have a material impact on the way AI is regulated, and developing interpretation and applications of the foregoing, together with developing guidance and/or decisions in this area, may affect our planned business activities involving the development and/or use of AI. Additionally, our customers may become subject to such upcoming AI regulations, which could cause a delay or impediment to the commercialization of AI technologies and could lead to a decrease in demand for our customers' AI systems.

It is likely that further new laws and regulations will be adopted in the United States and in other non-U.S. jurisdictions, or that existing laws and regulations, including competition and antitrust laws, may be interpreted in ways that would limit ours or our customers' ability to use AI or in a manner that negatively affects the performance of our products, services, and business. We may need to expend resources to adjust our AI products or services in certain jurisdictions if the laws, regulations, or decisions are not consistent across jurisdictions. Further, the cost to comply with such laws, regulations, or decisions and/or guidance interpreting existing laws could be significant and would increase our operating expenses (such as by imposing additional reporting obligations). Such an increase in operating expenses, as well as any actual or perceived failure to comply with such laws and regulations, could adversely affect our business, financial condition, results of operations, and prospects. The regulatory environment

surrounding the implementation of AI technologies may adversely affect our ability to produce and export our products and services and as a result may cause harm to our reputation, business, financial condition, results of operations, and prospects.

We may be subject to litigation, investigations, or other actions, which may lead us to incur significant costs and harm our business and our stockholders.

We are, and may become, party to lawsuits and claims arising in the normal course of business, which may include putative class action suits or other lawsuits, investigations or other claims relating to intellectual property, open-source software, customer matters, our marketing and sales practices, contracts, employment matters, regulatory compliance, or other aspects of our business.

Many companies in the semiconductor industry own large numbers of patents, copyrights, trademarks, domain names, and trade secrets, and frequently enter into litigation based on allegations of infringement, misappropriation, or other violations of intellectual property or other rights. As we face increasing competition and gain a higher profile, the possibility of intellectual property rights claims against us grows.

Defending any lawsuit, even when comprised of unmeritorious claims, is costly and can impose a significant burden on, and divert the attention of, management and employees, and harm our reputation. As litigation is inherently unpredictable, we cannot assure you that any potential claims or disputes will not harm our business, financial condition, results of operations, and prospects. Any claims or litigation, even if fully indemnified or insured, may make it more difficult to effectively compete or to obtain adequate insurance in the future. Any litigation to which we are a party may result in an onerous or unfavorable judgment that may not be reversed upon appeal, or in the payment of substantial monetary damages or fines, or we may decide to settle lawsuits on similarly unfavorable terms, which may harm our business, financial condition, results of operations, and prospects. In the case of an unfavorable outcome in intellectual property case, we could also be required to:

- pay substantial damages for past, present, and future use of the infringing technology;
- cease use of an infringing product (or component), which may involve redesigning a product or component part so that it does not infringe;
- expend significant resources to develop non-infringing technology;
- license technology from the third-party claiming infringement, which license may not be available on commercially reasonable terms, or at all;
- enter into cross-licenses with our competitors, which could weaken our overall intellectual property portfolio and our ability to compete in particular product categories;
- indemnify our customers;
- pay substantial damages to our direct or end customers to discontinue use or replace infringing technology with non-infringing technology; or
- relinquish intellectual property rights associated with one or more of our patent claims if such claims are held invalid or otherwise unenforceable.

Any of the foregoing results may harm our business, financial condition, results of operations, and prospects.

We may be subject to warranty claims and product liability.

From time to time, we may be subject to warranty or product liability claims arising from defects or perceived defects in our products or in third-party components that we integrate into our products, which may lead to

significant expenses. If a customer's equipment fails in use, the customer may incur significant expenses, as well as lost revenue. The customer may claim that a defect in our product caused the equipment failure and assert a claim against us to recover monetary damages, including indirect and consequential damages. The process of identifying a defective or potentially defective product in complex systems may be lengthy and require significant resources, and we may incur significant replacement costs and contract damage claims from our customers. In certain situations, we may consider incurring the costs or expenses related to a recall of one of our products in order to avoid the potential claims that may be raised should customer suffer a failure due to a design or manufacturing process defect. Any such liabilities may greatly exceed any revenue we receive from the relevant products. Costs, payments, or damages incurred or paid by us in connection with warranty and product liability claims could exceed our product liability insurance coverage, or warranty reserves, and could harm our business, financial condition, results of operations, and prospects.

Regulations related to conflict minerals may cause us to incur additional expenses and may limit the supply and increase the costs of certain metals used in the manufacturing of our products.

We are subject to requirements under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, requiring us to conduct due diligence on and disclose whether certain conflict minerals originating from certain countries and geographic regions are necessary for the manufacture or functionality of our products. The implementation of these requirements could adversely affect the sourcing, availability, and pricing of the materials used in the manufacture of components used in our products. In addition, we will incur additional costs to comply with the potential disclosure requirements, including costs related to conducting diligence procedures to determine the sources of minerals that may be used or necessary to the production of our products and, if applicable, potential changes to products, processes, or sources of supply as a consequence of such due diligence activities. It is also possible that we may face reputational harm if we determine that any of our products contain minerals not determined to be free of conflict minerals or if we are unable to alter our products, processes, or sources of supply to avoid such materials.

Risks Related to Financial and Accounting Matters

We identified material weaknesses in our internal control over financial reporting. If we are unable to remediate these material weaknesses, or if we identify additional material weaknesses in the future or otherwise fail to maintain an effective system of internal controls, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect investor confidence in us and, as a result, the value of our common stock.

Prior to the completion of this offering, we have been a private company since our inception and, as such, we have not had the internal control and financial reporting requirements that are required of a publicly traded company. In connection with the preparation of our financial statements, we identified certain material weaknesses in our internal control over financial reporting for the years ended December 31, 2023 and 2022. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our financial statements will not be prevented or detected on a timely basis.

The material weaknesses that we identified relate to (i) inadequate or missing resources who possess an appropriate level of expertise to timely review account reconciliations and identify, select, and apply U.S. generally accepted accounting principles ("GAAP") pertaining to several financial statement areas, including revenue recognition, inventory, and equity administration and (ii) the failure to maintain adequate IT general controls, including ineffective segregation of duties.

In response to the identified material weaknesses, we have begun adding additional resources, formalizing processes, and implementing new controls. We have hired additional accounting and finance personnel with expertise we believe to be appropriate to strengthen our overall controls over the review of account reconciliations, the application of GAAP, and the IT environment. We intend to continue to take steps to remediate these material weaknesses. The material weaknesses will not be considered remediated until management designs and implements

effective controls that operate for a sufficient period of time and management has concluded, through testing, that these controls are effective. Our management will monitor the effectiveness of our remediation plans and will make changes determined to be appropriate.

We can give no assurance that the measures we have taken and plan to take in the future will remediate the material weaknesses identified or that any additional material weaknesses or restatements of financial results will not arise in the future due to a failure to implement and maintain adequate internal control over financial reporting or circumvention of these controls. If the steps we take do not correct these material weaknesses in a timely manner, we will be unable to conclude that we maintain effective internal control over financial reporting. Accordingly, there could continue to be a reasonable possibility that a material misstatement of our financial statements would not be prevented or detected on a timely basis. We have limited experience with implementing the systems and controls that will be necessary to operate as a public company. If these new systems or controls and the associated process changes do not give rise to the benefits that we expect or do not operate as intended, it may harm our financial reporting systems and processes, our ability to produce timely and accurate financial reports or the effectiveness of internal control over financial reporting.

If we fail to remediate our existing material weaknesses or identify new material weaknesses in our internal control over financial reporting, if we are unable to comply with the disclosure and attestation requirements of Section 404 of the Sarbanes-Oxley Act in a timely manner, if we are unable to conclude that our internal control over financial reporting is effective, or if our independent registered public accounting firm is unable to conclude that our internal control over financial reporting is effective when we are no longer an emerging growth company, investors may lose confidence in the accuracy and completeness of our financial reports and the price of our common stock could be negatively affected. As a result, we could also become subject to investigations by the , the SEC, or other regulatory authorities, and become subject to litigation from stockholders, which could harm our reputation and financial condition or divert financial and management resources from our regular business activities.

In addition, even if we are successful in strengthening our controls and procedures, in the future those controls and procedures may not be adequate to prevent or identify irregularities or errors or to facilitate the fair presentation of our financial statements.

If we fail to maintain an effective system of disclosure controls and internal control over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable regulations may be harmed.

As a public company, we will be subject to the reporting requirements of the Exchange Act of 1934, as amended (the "Exchange Act"), the Sarbanes-Oxley Act, and the stock exchange listing requirements. We expect that the requirements of these rules and regulations will continue to increase our legal, accounting, and financial compliance costs, make some activities more difficult, time-consuming, and costly, and place significant strain on our personnel, systems, and resources.

The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We are continuing to develop and refine our disclosure controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we will file with the SEC is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms and that information required to be disclosed in reports under the Exchange Act is accumulated and communicated to our principal executive and financial officers. We are also continuing to improve our internal control over financial reporting, which includes hiring additional accounting and financial personnel to implement such processes and controls.

We have identified material weaknesses in our internal control over financial reporting for the years ended December 31, 2023 and 2022 and cannot assure you that there will not be material weaknesses or significant deficiencies in our internal controls in the future. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, we have expended, and anticipate that we will continue to expend, significant resources, including accounting-related costs, new internal processes and

procedures, and significant management oversight. If any of these new or improved controls and systems do not perform as expected, we may experience further deficiencies in our controls.

Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business. Further, to the extent we acquire other businesses, the acquired company may not have a sufficiently robust system of controls and we may discover deficiencies. Any failure to develop or maintain effective controls or any difficulties encountered in their implementation or improvement may harm our results of operations or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting also may adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we will eventually be required to include in our periodic reports that will be filed with the SEC. Ineffective disclosure controls and procedures and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which would likely cause the price of our common stock to decline. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on a stock exchange. We are not currently required to comply with the SEC rules that implement Section 404 of the Sarbanes-Oxley Act and are therefore not required to make a formal assessment of the effectiveness of our internal control over financial reporting for that purpose. As a public company, we will be required to provide an annual management report on the effectiveness of our internal control over financial reporting commencing with our second annual report on Form 10-K.

Upon becoming a public company, and particularly after we are no longer an "emerging growth company," we expect our independent registered public accounting firm will be required to formally attest to the effectiveness of our internal control over financial reporting. At such time, our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our internal control over financial reporting is documented, designed, or operating. Any failure to maintain effective disclosure controls and internal control over financial reporting may harm our business, financial condition, results of operations, and prospects, and may cause the price of our common stock to decline.

We may have a limited ability to use some or all of our net operating loss carryforwards in the future.

As of December 31, 2023, we had net operating loss ("NOL") carryforwards for federal and state income tax purposes of $333.8 million and $395.5 million, respectively. Our NOL carryforward for federal purposes has an indefinite carryforward period but is limited to offset 80% of taxable income in the year utilized, except for $20.6 million that will begin to expire in 2036. Our NOL carryforwards for state purposes have various carryover periods and will begin to expire as early as 2036. As a result of prior operating losses, we have significant NOL carryforwards for federal income tax purposes. Our ability to utilize our NOLs to reduce taxable income in future years could become subject to significant limitations under Section 382 of the U.S. Internal Revenue Code of 1986, as amended (the "Code") if we undergo an "ownership change" within the meaning of Section 382, or the value of such NOLs could be reduced in the event that the relevant rules under the Code were to be revised. We would undergo an ownership change if, among other things, the stockholders who own, directly or indirectly, 5% or more of our common stock, or are otherwise treated as "5% shareholders" under Section 382 of the Code and the regulations promulgated thereunder, increase their aggregate percentage ownership of our stock by more than 50 percentage points over the lowest percentage of the stock owned by these stockholders at any time during the testing period, which is generally the three-year period preceding the potential ownership change. Similar rules may apply under state tax laws.

There is also a risk that due to regulatory changes, such as suspensions on the use of NOLs or other unforeseen reasons, our existing NOLs could expire or otherwise be unavailable to reduce future income tax liabilities, including for state tax purposes. For these reasons, we may not be able to utilize a material portion of the NOLs reflected on our balance sheet, even if we attain profitability, which may potentially result in increased future tax liability to us and may harm our results of operations and financial condition.

Unanticipated changes in our effective tax rate and additional tax liabilities may impact our results of operations.

We are subject to taxes in the United States and certain foreign jurisdictions. Due to economic and political conditions, tax rates in various jurisdictions, including the United States, may be subject to change. For example, the U.S. government may enact significant changes to the taxation of business entities, including, among others, a permanent increase in the corporate income tax rate, an increase in the tax applicable to the global low-taxed income and the imposition of minimum taxes or surtaxes on certain types of income. Our future effective tax rates could be affected by changes in the mix of earnings in countries with differing statutory tax rates, changes in the valuation of deferred tax assets and liabilities and changes in tax laws or their interpretation.

We may also be subject to additional tax liabilities and penalties due to changes in non-income based taxes resulting from changes in federal, state, or foreign tax laws, changes in taxing jurisdictions' administrative interpretations, decisions, policies and positions, results of tax examinations, settlements or judicial decisions, changes in accounting principles, changes to the business operations, including acquisitions, as well as the evaluation of new information that results in a change to a tax position taken in a prior period. We are currently unable to predict whether such changes will occur and, if such changes occur, the ultimate impact on our tax liabilities. Any resulting increase in our tax obligation or cash taxes paid may harm our cash flows and results of operations.

We expect to require additional capital to support business growth, and this capital might not be available when needed on favorable terms or at all.

We intend to continue to make investments to support our business growth and may require additional funds to respond to business challenges and opportunities, including the need to develop new products or services, enhance our existing products or services, enhance our operating infrastructure, expand internationally, and acquire complementary businesses and technologies. In order to achieve these objectives, we expect to require additional capital resources in the future, and may determine to raise additional funds. If we raise additional funds through future issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences, and privileges superior to those of holders of our common stock. In addition, the incurrence of indebtedness would increase our fixed obligations, and may include covenants or other restrictions that impede our ability to manage our operations. We may not be able to obtain additional financing on terms favorable to us when needed, or at all. Our inability to obtain adequate financing or financing on terms satisfactory to us, when we require it, could significantly limit our ability to continue supporting our business growth and responding to business challenges and opportunities.

Some of our suppliers provide us with a line of credit to meet the needs of our normal business requirements. Most of our suppliers set dollar limits on the trade credit they will afford us at any given time. If our suppliers were to cease to sell to us on trade credit terms or were to substantially lower the credit limits they have set on our open accounts, we would need to accelerate our payments to those suppliers, creating additional demands on our cash resources, or we would need to find other sources for those goods. Further, some of our customers advance us funds pursuant to their purchase order, which we are required to hold in trust to be used only for the purposes specified in such purchase order. Under certain circumstances, we may be required to refund the portion of the advanced funds that has not yet been used for the specified purposes on demand, and we may not have enough available cash or be able to obtain financing at the time we are required to repay the portion of the advanced funds. The customer may also take title to the components purchased using the advanced funds. Additionally, we may have to pay taxes on the customer advances before we have recognized any revenue from the components purchased with the advanced funds. Our inability to repay the advanced funds when required, or the requirement to pay taxes prior to recognizing revenue may harm our business, financial condition, results of operations, and prospects.

Our results of operations may be harmed by changes in financial accounting standards or by the application of existing or future accounting standards to our business as it evolves.

Our reported results of operations are impacted by the accounting standards promulgated by the SEC and accounting standards bodies and the methods, estimates, and judgments that we use in applying our accounting

policies. A change in accounting standards may have a significant effect on our reported results of operations and may even affect the reporting of transactions completed before the announcement or effectiveness of a change. The frequency of accounting standards changes could accelerate, including conversion to unified international accounting standards. Any future changes to accounting standards may cause our results of operations to fluctuate.

As we enhance, expand, and diversify our business, products, and services, the application of existing or future financial accounting standards may harm our results of operations or financial condition.

Risks Related to this Offering and Ownership of Our Common Stock

The price of our common stock may be volatile and may decline regardless of our operating performance, and you may lose all or part of your investments.

The price of our common stock may fluctuate significantly in response to numerous factors, many of which are beyond our control, including:

- overall performance of the equity markets and/or publicly listed semiconductor companies.
- actual or anticipated fluctuations in our financial and operating metrics;
- an adverse development in our strategic partnership with G42 or a material reduction in purchases by G42, or the anticipation of such events;
- changes in the financial projections we provide to the public or our failure to meet these projections;
- failure of securities analysts to initiate or maintain coverage of us, changes in financial estimates by any securities analysts who follow our company, or our failure to meet the estimates or the expectations of investors or analysts;
- the economy as a whole and market conditions in our industry;
- rumors and market speculation, and operating results and forecasts, involving us or other companies in our industry;
- announcements by us or our competitors of significant innovations, acquisitions, strategic partnerships, joint ventures, or capital commitments;
- new laws or regulations or new interpretations of existing laws or regulations applicable to our business;
- lawsuits threatened or filed against us;
- recruitment or departure of key personnel;
- changes in the U.S. regulatory environment impacting jurisdictions with which we can transact;
- other events or factors, including those resulting from war, incidents of terrorism, or responses to these events; and
- anticipated sales of our common stock, including upon the expiration of contractual lock-up or market standoff agreements.

In addition, extreme price and volume fluctuations in the stock markets have affected and continue to affect many semiconductor and technology companies' stock prices. Often, their stock prices have fluctuated in ways unrelated or disproportionate to the companies' operating performance. In the past, stockholders have filed securities

class action litigation following periods of market volatility. If we were to become involved in securities litigation, it could subject us to substantial costs, divert resources and the attention of management from our business and harm our business. Moreover, because of these fluctuations, comparing our results of operations on a period-to-period basis may not be meaningful. You 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 net revenue or results of operations 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 net revenue or earnings forecasts that we may provide.

No public market for our common stock currently exists and an active liquid market may not develop or be sustained following this offering.

No public market for our common stock currently exists. An active public trading market for our common stock may not develop following the closing of this offering or, if developed, it may not be sustained. 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. The lack of an active market may also reduce the fair value of your shares. An inactive market may also impair our ability to raise capital to continue to fund operations by selling securities and may impair our ability to acquire other companies or technologies by using our securities as consideration.

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

Sales of a substantial number of shares of our common stock in the public market, particularly sales by our directors, executive officers, and principal stockholders, or the perception that these sales might occur, could cause the price of our common stock to decline and could impair our ability to raise capital through the sale of additional equity securities.

Substantially all of our securities outstanding prior to the completion of this offering are currently restricted from resale as a result of lock-up and market standoff agreements. See the section titled, "Shares Eligible for Future Sale" for additional information. These securities will become available to be sold days after the date of the final prospectus relating to this offering. Citigroup Global Markets Inc. and Barclays Capital Inc. may, in their sole discretion, permit our security holders to sell shares prior to the expiration of the restrictive provisions contained in the lock-up agreements. Sales of a substantial number of such shares upon expiration of the lock-up and market standoff agreements, the perception that such sales may occur, or early release of these agreements could cause the price of our common stock to fall or make it more difficult for an investor to sell our common stock at a time and price that an investor deems appropriate. Shares held by directors, executive officers and other affiliates will also be subject to volume limitations under Rule 144 under the Securities Act of 1933, as amended (the "Securities Act").

In addition, as of June 30, 2024, we had options outstanding that, if fully exercised, would result in the issuance of shares of our common stock, and warrants outstanding that, if fully exercised, would result in the issuance of shares of our common stock, as well as shares of our common stock issuable upon vesting of outstanding RSUs. We intend to file one or more registration statements on Form S-8 under the Securities Act to register the shares of our common stock subject to outstanding stock options and RSUs, as of the date of this prospectus and shares that will be issuable pursuant to future awards granted under our equity incentive plans. Once we register these shares, they can be freely sold in the public market upon issuance, subject to applicable vesting requirements, compliance by affiliates with Rule 144, and other restrictions provided under the terms of the applicable plan and/or the award agreements entered into with participants.

Following this offering, the holders of shares of our common stock will have rights, subject to some conditions, to require us to file registration statements for the public resale of shares of our common stock or to include such shares in registration statements that we may file for us or other stockholders. Any registration statement we file to register additional shares, whether as a result of registration rights or otherwise, could cause the price of our common stock to decline or be volatile.

If you purchase shares of our common stock in this offering, you will incur immediate and substantial dilution.

The initial public offering price will be substantially higher than the pro forma net tangible book value per share of our common stock immediately following this offering based on the total value of our tangible assets less our total liabilities. Therefore, if you purchased our common stock in this offering, at the assumed initial public offering price of $ per share, which is the midpoint of the estimated price range set forth on the cover page of this prospectus, you would experience an immediate dilution of $ per share, the difference between the price per share you pay for our common stock and our pro forma net tangible book value per share as of June 30, 2024, after giving effect to the issuance by us of shares of our common stock in this offering and the Preferred Stock Conversion. In addition, you may also experience additional dilution if options, RSUs, stock appreciation rights ("SARs"), or other rights to purchase our common stock that are outstanding or that we may issue in the future are exercised, vest or are converted or we issue additional shares of our common stock at prices lower than our net tangible book value at such time.

Future securities issuances could result in significant dilution to our stockholders and impair the price of our common stock.

Future issuances of shares of our common stock, or the perception that these sales may occur, could depress the price of our common stock and result in dilution to existing holders of our common stock. For example, we will issue additional shares of our common stock to Alpha Wave in connection with the Series F-1 Financing and may issue additional shares of our common stock in connection with subsequent closings by G42 in the Series F-1 Financing or pursuant to the G42 Option. See the section titled "Description of Capital Stock—Series F-1 Financing" for additional information. Also, to the extent outstanding options or warrants to purchase shares of our common stock are exercised or options, RSUs, SARs, or other stock-based awards are issued or become vested, there will be further dilution. The amount of dilution could be substantial depending upon the size of the issuances or exercises. Furthermore, we may issue additional equity securities that could have rights senior to those of our common stock. As a result, purchasers of our Common stock bear the risk that future issuances of debt or equity securities may reduce the value of our common stock and further dilute their ownership interest.

We have broad discretion in the use of the net proceeds from this offering and may not use them effectively.

We will have broad discretion in the application of the net proceeds to us from this offering, including for any of the purposes described in the section titled "Use of Proceeds," and you will not have the opportunity as part of your investment decision to assess whether the net proceeds are being used appropriately. Because of the number and variability of factors that will determine our use of the net proceeds from this offering, our ultimate use may vary substantially from our currently intended use. Investors will need to rely on the judgment of our management with respect to the use of proceeds. Pending use, we may invest the net proceeds from this offering in short-term, investment-grade, interest-bearing securities, such as money market funds, corporate notes and bonds, certificates of deposit, commercial paper and guaranteed obligations of the U.S. government that may not generate a high yield for our stockholders. If we do not use the net proceeds that we receive in this offering effectively, our business, financial condition, and results of operations could be harmed, and the price of our common stock could decline.

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 support compliance with our public company responsibilities and corporate governance practices.

As a public company, we will incur significant finance, legal, accounting, and other expenses, including director and officer liability insurance, that we did not incur as a private company, and which we expect to further increase after we are no longer an "emerging growth company." The Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, stock exchange listing requirements, and other applicable securities rules and regulations impose various requirements on public companies in the United States. Our management and other personnel are expected to devote a substantial amount of time to support 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. We cannot predict or estimate the amount of additional costs we will incur as a public company or the specific timing of such costs.

We currently have no plans to pay dividends on our common stock.

We have never declared or paid any cash dividends on shares of our capital stock. We currently intend to retain all available funds and any future earnings for use in the operation of our business and do not anticipate paying any dividends in the foreseeable future. Any determination to pay dividends in the future will be at the discretion of our board of directors and will depend on many factors, including our financial condition, results of operations, earnings, capital requirements, business expansion opportunities, level of indebtedness, statutory and contractual restrictions applying to the payment of dividends, and other considerations that our board of directors deem relevant.

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

The trading market for our common stock will be influenced by the research and reports that industry or financial analysts publish about us or our business. We do not control these analysts or the content and opinions included in their reports. As a new public company, we may be slow to attract research coverage, and the analysts who publish information about our common stock will have had relatively little experience with our company, which could affect their ability to accurately forecast our results and make it more likely that we fail to meet their estimates. In the event we obtain industry or financial analyst coverage, if any of the analysts who cover us issues an inaccurate or unfavorable opinion regarding our stock price, our stock price may decline. In addition, the stock prices of many companies in the technology industry have declined significantly after those companies have failed to meet, or exceed, the financial guidance publicly announced by the companies or the expectations of analysts. If our results of operations fail to meet, or exceed, our announced guidance or the expectations of analysts or public investors, analysts could downgrade our common stock or publish unfavorable research about us, and the price of our common stock would likely decline as a result of such failure to meet our guidance or analyst expectations. If one or more of these analysts cease coverage of our common stock or fail to publish reports on us regularly, our visibility in the financial markets could decrease, which in turn could cause our stock price or trading volume to decline.

For as long as we are an emerging growth company, we will not be required to comply with certain reporting requirements, including those relating to accounting standards and disclosure about our executive compensation, that apply to other public companies.

We are an "emerging growth company," as defined in the JOBS Act, and we may 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, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. Pursuant to Section 107 of the JOBS Act, as an emerging growth company, we have elected to use the extended transition period for complying with new or revised accounting standards until those standards would otherwise apply to private companies. As a result, our consolidated financial statements may not be comparable to the financial statements of issuers who are required to comply with the effective dates for new or revised accounting standards that are applicable to public companies, which may make our common stock less attractive to investors. In addition, if we cease to be an emerging growth company, we will no longer be able to use the extended transition period for complying with new or revised accounting standards.

We will remain an emerging growth company until the first to occur of: (1) the last day of the year following the fifth anniversary of this offering; (2) the last day of the first year in which our annual gross revenue is $1.235 billion or more; (3) the date on which we have, during the previous rolling three-year period, issued more than $1.0 billion in non-convertible debt securities; and (4) the date we qualify as a "large accelerated filer," with at least $700 million of equity securities held by non-affiliates.

We cannot predict if investors will find our common stock less attractive if we choose to rely on these exemptions. For example, if we do not adopt a new or revised accounting standard, our future results of operations may not be as comparable to the results of operations of certain other companies in our industry that adopted such standards. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock, and our stock price may be more volatile.

Anti-takeover provisions contained in our amended and restated certificate of incorporation and amended and restated bylaws, as well as provisions of Delaware law, could impair a takeover attempt.

Our amended and restated certificate of incorporation and amended and restated bylaws, which will become effective immediately prior to the completion of this offering, contain, and Delaware law contains, provisions which could have the effect of rendering more difficult, delaying, or preventing an acquisition deemed undesirable by our board of directors. These provisions will provide for the following:

- a classified board of directors with staggered three-year terms, which may delay the ability of stockholders to change the membership of a majority of our board of directors;
- no cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- the exclusive right of our board of directors to establish the size of the board of directors and to appoint a director to fill a vacancy, however occurring, including by expanding the board of directors;
- the ability of our board of directors to authorize the issuance of shares of preferred stock and to determine the price and other terms of those shares, including voting or other rights or preferences, without stockholder approval, which could be used to significantly dilute the ownership of a hostile acquiror;
- the ability of our board of directors to alter our amended and restated bylaws without obtaining stockholder approval;
- supermajority voting requirement to amend certain provisions in our amended and restated certificate of incorporation and amended and restated bylaws;
- a prohibition on stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders;
- the requirement that a special meeting of stockholders may be called only by our Chief Executive Officer or a majority of our board of directors then in office, which may delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors;
- advance notice procedures that stockholders must comply with in order to nominate candidates to our board of directors or to propose matters to be acted upon at a stockholders' meeting, which may discourage or deter a potential acquiror from conducting a solicitation of proxies to elect the acquiror's own slate of directors or otherwise attempting to obtain control of us; and
- the limitation of liability of, and provision of indemnification to, our directors and officers.

These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in our management.

As a Delaware corporation, we are also subject to provisions of Delaware law, including Section 203 of the General Corporation Law of the State of Delaware (the "Delaware General Corporation Law"), which prevents some stockholders holding more than 15% of our outstanding common stock from engaging in certain business

combinations without approval of the holders of substantially all of our outstanding common stock. For a description of our capital stock, see the section titled, "Description of Capital Stock."

Any provision of our amended and restated certificate of incorporation, amended and restated bylaws, or Delaware law that has the effect of delaying or deterring a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our common stock, and could also affect the price that some investors are willing to pay for our common stock.

Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of money available to us.

Our amended and restated certificate of incorporation and amended and restated bylaws, which will become effective immediately prior to the completion of this offering, provide that we will indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law.

In addition, as permitted by Section 145 of the Delaware General Corporation Law, our amended and restated bylaws to be effective immediately prior to the completion of this offering, and our indemnification agreements that we have entered or intend to enter into with our directors and officers provide that:

- we will indemnify our directors and officers for serving us in those capacities or for serving other business enterprises at our request to the fullest extent permitted by Delaware law. Delaware law provides that a corporation may indemnify such person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the registrant and, with respect to any criminal proceeding, had no reasonable cause to believe such person's conduct was unlawful;

- we may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law;

- we are required to advance expenses, as incurred, to our directors and officers in connection with defending a proceeding, except that such directors or officers will undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification;

- the rights conferred in our amended and restated bylaws are not exclusive, and we are authorized to enter into indemnification agreements with our directors, officers, employees, and agents and to obtain insurance to indemnify such persons; and

- we may not retroactively amend our amended and restated bylaw provisions to reduce our indemnification obligations to directors, officers, employees, and agents.

While we maintain a directors' and officers' insurance policy, such insurance may not be adequate to cover all liabilities that we may incur, which may reduce our available funds to satisfy third-party claims and may harm our business and financial position.

Our amended and restated certificate of incorporation and amended and restated bylaws will provide for an exclusive forum in the Court of Chancery of the State of Delaware for certain disputes between us and our stockholders, and that the federal district courts of the United States will be the exclusive forum for the resolution of any complaint asserting a cause of action under the Securities Act.

Our amended and restated certificate of incorporation and amended and restated bylaws, which will become effective immediately prior to the completion of this offering, will provide, that: (i) unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if such court does not have subject matter jurisdiction thereof, the federal district court of the State of Delaware) will, to the fullest extent permitted by law, be the sole and exclusive forum for: (A) any derivative action or proceeding brought on behalf of the company, (B) any action asserting a claim for or based on a breach of a fiduciary duty owed by any of our

current or former director, officer, other employee, agent or stockholder to the company or our stockholders, including without limitation a claim alleging the aiding and abetting of such a breach of fiduciary duty, (C) any action asserting a claim against the company or any of our current or former director, officer, employee, agent, or stockholder arising pursuant to any provision of the Delaware General Corporation Law or our certificate of incorporation or bylaws or as to which the Delaware General Corporation Law confers jurisdiction on the Court of Chancery of the State of Delaware, or (D) any action asserting a claim related to or involving the company that is governed by the internal affairs doctrine; (ii) unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States will, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act, and the rules and regulations promulgated thereunder; (iii) any person or entity purchasing or otherwise acquiring or holding any interest in shares of capital stock of the company will be deemed to have notice of and consented to these provisions; and (iv) failure to enforce the foregoing provisions would cause us irreparable harm, and we will be entitled to equitable relief, including injunctive relief and specific performance, to enforce the foregoing provisions. Nothing in our current certificate of incorporation or bylaws or our amended and restated certificate of incorporation or amended and restated bylaws precludes stockholders that assert claims under the Exchange Act, from bringing such claims in federal court to the extent that the Exchange Act confers exclusive federal jurisdiction over such claims, subject to applicable law.

The choice of 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 any of our current or former directors, officers, other employees, agents, or stockholders, which may discourage such claims against us or any of our current or former directors, officers, other employees, agents, or stockholders and result in increased costs for investors to bring a claim.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements about us and our industry that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this prospectus, including statements regarding our strategy, future financial condition, future operations, projected costs, prospects, plans, objectives of management and expected market growth, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as "may," "will," "shall," "should," "expects," "plans," "anticipates," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential," "goal," "objective," "seeks," or "continue," or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. Forward-looking statements contained in this prospectus include, but are not limited to, statements about:

- our future financial performance, including our expectations regarding our revenue, expenses, and other results of operations;
- our ability to acquire new customers and grow our customer base;
- our ability to successfully retain existing customers, including G42 and other significant customers, and expand sales within our existing customer base;
- our expectations with respect to the performance of our products;
- our ability to successfully maintain our relationships with our third-party suppliers and manufacturers;
- launching new products and adding new product capabilities;
- future investments in developing and enhancing our business;
- our expectations regarding our ability to expand;
- design, manufacturing, or product defects;
- our ability to effectively manage our growth;
- future investments in our business, our anticipated capital expenditures, and our estimates regarding our capital requirements;
- the estimated size of our addressable market opportunity;
- investments in our sales and marketing efforts;
- our ability to compete effectively with existing competitors and new market entrants;
- our reliance on our senior management team and our ability to identify, recruit, and retain skilled personnel;
- our ability to obtain, maintain, protect, and enforce our intellectual property rights and any costs associated therewith;
- our ability to comply with laws and regulations that currently apply or become applicable to our business both in the United States and internationally;
- economic and industry trends and other macroeconomic factors, such as fluctuating interest rates and rising inflation;

- the impact of geopolitical changes or tensions, political conflicts, and other global financial, economic, and political events and wars on our industry, business, financial condition, results of operations, and prospects and any global pandemics or health crises;

- our expected use of proceeds from this offering; and

- other risks and uncertainties described in this prospectus, including those under the section titled "Risk Factors."

We caution you that the foregoing list does not contain all of the forward-looking statements made in this prospectus.

You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this prospectus primarily on our current expectations, estimates, forecasts, and projections about future events and trends that we believe may affect our business, financial condition, results of operations, and prospects. Although we believe that we have a reasonable basis for each forward-looking statement contained in this prospectus, we cannot guarantee that the future results, levels of activity, performance, or events and circumstances reflected in the forward-looking statements will be achieved or occur at all. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties and other factors described in the section titled "Risk Factors" and elsewhere in this prospectus. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this prospectus. The results, events, and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements.

The forward-looking statements made in this prospectus relate only to events as of the date on which the statements are made. We undertake no obligation to update any forward-looking statements made in this prospectus to reflect events or circumstances after the date of this prospectus or to reflect new information or the occurrence of unanticipated events, except as required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures, or investments we may make.

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.

You should read this prospectus and the documents that we reference in this prospectus and have filed as exhibits to the registration statement, of which this prospectus is a part, completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of the forward-looking statements in this prospectus with these cautionary statements.

MARKET AND INDUSTRY DATA

This prospectus contains estimates, projections, and other information concerning our industry and our business, as well as data regarding market research, estimates, and forecasts prepared by our management. 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. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the section titled "Risk Factors." Unless otherwise expressly stated, we obtained this industry, business, market, and other data from reports, research surveys, studies, and similar data prepared by market research firms and other third parties, industry and general publications, government data, and similar sources. Forecasts and other forward-looking information with respect to industry, business, market, and other data are subject to the same qualifications and additional uncertainties regarding the other forward-looking statements in this prospectus. See the section titled "Special Note Regarding Forward-Looking Statements" for additional information.

Among others, we refer to estimates compiled by the following industry sources:

- Artificial Analysis, Inc.;
- Bloomberg Intelligence;
- * Gartner, Inc. ("Gartner®"), Press Release, Gartner Poll Finds 55% of Organizations are in Piloting or Production Mode with Generative AI, October 2023;
- International Data Corporation ("IDC"), Generative Artificial Intelligence: A New Chapter for Enterprise Business Applications, March 2023 (#US50471523);
- McKinsey & Company ("McKinsey"), The economic potential of generative AI: The next productivity frontier, June 2023; and
- McKinsey, The state of AI in GCC countries—and how to overcome adoption challenges, May 2023.

* The Gartner content described herein (the "Gartner Content") represent(s) research opinion or viewpoints published, as part of a syndicated subscription service, by Gartner, Inc. ("Gartner"), and are not representations of fact. Gartner Content speaks as of its original publication date (and not as of the date of this prospectus), and the opinions expressed in the Gartner Content are subject to change without notice.

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USE OF PROCEEDS

We estimate that we will receive net proceeds from this offering of approximately $ (or $ if the underwriters exercise their option to purchase additional shares of common stock in full), based on an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

Each $1.00 increase or decrease in the assumed initial public offering price per share of $, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, the net proceeds to us from this offering by approximately $, assuming that the number of shares of common stock offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase or decrease of 1.0 million shares in the number of shares of common stock offered by us would increase or decrease, as applicable, the net proceeds to us from this offering by approximately $, assuming that the initial public offering price per share remains at $, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The principal purposes of this offering are to obtain additional capital to fund our operations, create a public market for our common stock, facilitate our future access to the public equity markets and increase awareness of our company among potential partners. We currently intend to use the net proceeds from this offering, together with our existing cash, cash equivalents, and investments, for general corporate purposes, including working capital, operating expenses and capital expenditures. We may also use a portion of the net proceeds to in-license, acquire, or invest in complementary technologies, assets, businesses, or intellectual property. We periodically evaluate strategic opportunities; however, we have no current commitments to enter into any such acquisitions or make any such investments.

We intend to use a portion of the net proceeds from this offering to satisfy tax withholding and remittance obligations related to the settlement of RSUs in connection with this offering. Based on the assumed initial public offering price of $ per share of common stock, which is the midpoint of the price range set forth on the cover page of this prospectus, an estimated shares underlying RSUs vesting in connection with our initial public offering, and an assumed % tax withholding rate for certain of our employees from whom we will withhold taxes, we would use approximately $ to satisfy our tax withholding and remittance obligations related to the vesting of such RSUs. A $1.00 increase or decrease, as applicable, in the assumed initial public offering price of $ per share of common stock, which is the midpoint of the price range set forth on the cover page of this prospectus, assuming no change to the applicable tax rate, would increase or decrease, as applicable, the amount we would be required to pay to satisfy these tax withholding and remittance obligations by approximately $.

The expected use of net proceeds from this offering represents our intentions based upon our present plans and business conditions. We cannot predict with certainty all of the particular uses for the proceeds of this offering or the amounts that we will actually spend on the uses set forth above. Accordingly, our management will have broad discretion in applying the net proceeds of this offering. The timing and amount of our actual expenditures will be based on many factors, including cash flows from operations and the anticipated growth of our business.

Pending their use, we intend to invest the net proceeds from this offering in a variety of capital-preservation investments, including short- and intermediate-term investments, interest-bearing investments, investment-grade securities, government securities, and money market funds.

DIVIDEND POLICY

We have never declared or paid any cash dividends on our capital stock. We currently intend to retain any future earnings for use in the operation of our business and do not anticipate declaring or paying any cash dividends in the foreseeable future. Any future determination to declare cash dividends will be made at the discretion of our board of directors, subject to applicable laws and will depend on a number of factors, including our results of operations, financial condition, capital requirements, contractual restrictions, general business conditions, and other factors our board of directors may deem relevant.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and total capitalization as of June 30, 2024:

- on an actual basis;
- on a pro forma basis to reflect the following immediately prior to the completion of this offering: (i) the filing and effectiveness of our amended and restated certificate of incorporation, which will occur immediately prior to the completion of this offering; (ii) the Preferred Stock Conversion; (iii) the net issuance of shares of our common stock upon the vesting and settlement of RSUs for which the service-based vesting condition was satisfied as of June 30, 2024 and the liquidity-based vesting condition will be satisfied in connection with this offering, after withholding shares to satisfy the associated estimated tax withholding obligations (based on an assumed % tax withholding rate); (iv) the increase in accrued expenses and other current liabilities and an equivalent decrease in additional paid-in capital of $ in connection with the estimated tax withholding obligations related to the net settlement of these RSUs (based on an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and an assumed % tax withholding rate); and (v) stock-based compensation expense of approximately $ that we will recognize upon the completion of this offering related to RSUs subject to service-based and liquidity-based vesting conditions for which the service-based vesting condition was satisfied as of June 30, 2024 and for which the liquidity-based vesting condition will be satisfied in connection with this offering; and
- on a pro forma as adjusted basis to reflect: (i) the pro forma adjustments set forth above and (ii) the issuance and sale of shares of common stock by us in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The pro forma as adjusted information discussed below is illustrative only and will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing. This table should be read in conjunction with the sections titled “Summary Consolidated Financial Data” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our unaudited condensed consolidated financial statements and related notes included elsewhere in this prospectus.

	As of June 30, 2024		
	Actual	Pro Forma	Pro Forma As Adjusted[1]
	(in thousands, except share and per share amounts)		
Cash and cash equivalents	$ 90,931	$	$
Redeemable convertible preferred stock, par value $0.00001 per share; 104,386,199 shares authorized, 77,032,857 shares issued and outstanding, actual; no shares authorized, issued, or outstanding, pro forma and pro forma as adjusted	722,780		
Stockholders’ deficit:			
Preferred stock, par value $0.00001 per share; no shares authorized, issued, or outstanding, actual; shares authorized, no shares issued or outstanding, pro forma and pro forma as adjusted			
Common stock, par value $0.00001 per share; 203,087,000 shares authorized, 51,177,237 shares issued and outstanding, actual; shares authorized and shares issued and outstanding, pro forma; shares authorized and shares issued and outstanding, pro forma as adjusted			
Additional paid-in capital	148,386		

	As of June 30, 2024		
	Actual	Pro Forma	Pro Forma As Adjusted[1]
	(in thousands, except share and per share amounts)		
Treasury stock	(88)		
Accumulated other comprehensive income	550		
Accumulated deficit	(728,160)		
Total stockholders' deficit	(579,312)		
Total capitalization	$ 143,468	$	$

(1) The pro forma as adjusted information discussed above is illustrative only and will depend on the actual initial offering price and other terms of this offering determined at pricing. Each $1.00 increase or decrease in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, each of pro forma as adjusted cash and cash equivalents, additional paid-in capital, total stockholders' equity, and total capitalization by approximately $, assuming that the number of shares of common stock offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase or decrease of 1.0 million shares in the number of shares of common stock offered by us would increase or decrease, as applicable, each of pro forma as adjusted cash and cash equivalents, additional paid-in capital, total stockholders' equity, and total capitalization by approximately $, assuming that the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters exercise their option to purchase additional shares of our common stock in full, pro forma as adjusted cash and cash equivalents, additional paid-in capital, total stockholders' equity, total capitalization and shares of common stock outstanding as of June 30, 2024 would be $, $, $, $, and shares, respectively.

The number of shares of our common stock issued and outstanding, pro forma, and pro forma as adjusted in the table above is based shares of our common stock outstanding as of June 30, 2024, after giving effect to the Preferred Stock Conversion, and excludes:

- shares of our common stock issuable upon the exercise of outstanding stock options as of June 30, 2024, with a weighted-average exercise price of $ per share;
- shares of our common stock issuable upon the exercise of stock options granted after June 30, 2024, with a weighted-average exercise price of $ per share;
- shares of our common stock issuable upon the vesting of RSUs subject to service-based and liquidity-based vesting conditions outstanding as of June 30, 2024, for which the service-based vesting condition was satisfied as of June 30, 2024 and for which the liquidity-based vesting condition will be satisfied in connection with this offering (we expect these RSUs will result in the net issuance of shares of common stock, after withholding shares to satisfy associated estimated tax withholding obligations (based on an assumed % tax withholding rate));
- shares of our common stock issuable upon the vesting of RSUs subject to service-based and liquidity-based vesting conditions outstanding as of June 30, 2024, for which the service-based vesting condition was not yet satisfied as of June 30, 2024 and for which the liquidity-based vesting condition will be satisfied in connection with this offering;

- shares of common stock issuable upon the vesting and settlement of RSUs granted after June 30, 2024;

- 68,213 shares of our common stock issuable upon the exercise of a warrant to purchase shares of our common stock outstanding as of June 30, 2024, with an exercise price of $0.00001 per share;

- 2,728,512 shares of our Series F-1 redeemable convertible preferred stock sold after June 30, 2024 in connection with the Series F-1 Financing, which will automatically be converted into shares of our common stock effective upon the completion of this offering (see the section titled "Description of Capital Stock—Series F-1 Financing" for additional information);

- 25,920,873 shares of our common stock reserved for additional purchases in the Series F-1 Financing (see the section titled "Description of Capital Stock—Series F-1 Financing" for additional information);

- a variable number of shares of our common stock that may be issued pursuant to the G42 Option (see the section titled "Description of Capital Stock—Series F-1 Financing—G42" for additional information);

- shares of our common stock reserved for future issuance under the 2024 Plan, which will become effective on the business day immediately prior to the date of effectiveness of the registration statement of which this prospectus forms a part, including new shares and the number of shares (i) that remain available for grant of future awards under the 2016 Plan at the time the 2024 Plan becomes effective, which shares will cease to be available for issuance under the 2016 Plan at such time and (ii) underlying outstanding Prior Plan Awards that expire, or are cancelled, forfeited, reacquired, or withheld; and

- shares of our common stock reserved for future issuance under the ESPP, which will become effective on the business day immediately prior to the date of effectiveness of the registration statement of which this prospectus forms a part.

The 2024 Plan and the ESPP also provide for automatic annual increases in the number of shares reserved thereunder. See the section titled "Executive and Director Compensation—Equity Incentive Plans" for additional information.

DILUTION

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

As of June 30, 2024, our historical net tangible book deficit was million, or per share of our common stock. Our historical net tangible book value (deficit) per share represents our total tangible assets less total liabilities and redeemable convertible preferred stock, divided by the aggregate number of shares of our common stock outstanding as of June 30, 2024.

Our pro forma net tangible book value as of June 30, 2024 was $, or $ per share of common stock. Pro forma net tangible book value per share represents tangible assets, less liabilities, divided by the aggregate number of shares of common stock outstanding, after giving effect to (i) the filing and effectiveness of our amended and restated certificate of incorporation and (ii) the Preferred Stock Conversion.

After giving further effect to the sale by us of shares of our common stock in this offering at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of June 30, 2024 would have been $, or $ per share. This represents an immediate increase in pro forma net tangible book value to existing stockholders of $ per share and an immediate dilution in pro forma net tangible book value to new investors of $ per share. Dilution per share represents the difference between the price per share to be paid by new investors for the shares of our common stock sold in this offering and the pro forma as adjusted net tangible book value per share immediately after this offering.

The following table illustrates this dilution on a per share basis:

Assumed initial public offering price per share		$
Historical net tangible book value (deficit) per share as of June 30, 2024	$	
Pro forma increase in net tangible book value per share as of June 30, 2024 attributable to the pro forma transactions described above		
Pro forma net tangible book value per share as of June 30, 2024		
Increase in pro forma net tangible book value per share attributable to new investors participating in this offering		
Pro forma as adjusted net tangible book value per share after this offering		
Dilution per share to new investors participating in this offering		$

Each $1.00 increase or decrease in the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, our pro forma as adjusted net tangible book value per share after this offering by $ per share and the dilution in pro forma per share to investors participating in this offering by $ per share, assuming that the number of shares of common stock offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase or decrease of 1.0 million shares in the number of shares of common stock offered by us would increase or decrease, as applicable, our pro forma as adjusted net tangible book value per share after this offering by $ per share and the dilution in pro forma as adjusted net tangible book value per share to investors participating in this offering by $ per share, assuming the initial public offering price of $ per share remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

If the underwriters exercise their option to purchase additional shares of our common stock in full, the pro forma as adjusted net tangible book value per share of our common stock after this offering would be $ per

share, and the dilution in pro forma net tangible book value per share to investors participating in this offering would be $ per share of our common stock.

The following table sets forth, on the pro forma basis described above, as of June 30, 2024, the number of shares of common stock purchased from us, the total consideration paid, or to be paid, and the weighted-average price per share paid, or to be paid, by existing stockholders and by the new investors, at an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, before deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us:

	Shares Purchased		Total Consideration		Weighted-Average Price Per Share
	Number	Percent	Amount	Percent	
	(in thousands, except share, per share and percent data)				
Existing stockholders		%	$	%	$
New investors					
Total		100 %	$	100 %	

Each $1.00 increase or decrease in the assumed initial public offering price per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would increase or decrease, as applicable, the total consideration paid by new investors, total consideration paid by all stockholders, and the weighted-average price per share paid by all stockholders by approximately $, $, and $, respectively, assuming that the number of shares of common stock offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase or decrease of 1.0 million shares in the number of shares of common stock offered by us would increase or decrease, as applicable, the total consideration paid by new investors, total consideration paid by all stockholders, and the weighted-average price per share paid by all stockholders by approximately $, $, and $, respectively, assuming the assumed initial public offering price of $ per share remains the same, and after deducting estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The foregoing tables assume no exercise of the underwriters' option to purchase additional shares. If the underwriters' exercise their option to purchase additional shares of common stock in full, the number of shares of common stock held by our existing stockholders will represent approximately % of the total number of shares of our common stock outstanding after this offering and the number of shares held by new investors will represent approximately % of the total number of shares of our common stock outstanding after this offering.

The foregoing tables and calculations (other than the historical net tangible book value calculation) are based on shares of our common stock outstanding as of June 30, 2024, after giving effect to the Preferred Stock Conversion, and excludes:

- shares of our common stock issuable upon the exercise of outstanding stock options as of June 30, 2024, with a weighted-average exercise price of $ per share;
- shares of our common stock issuable upon the exercise of stock options granted after June 30, 2024, with a weighted-average exercise price of $ per share;
- shares of our common stock issuable upon the vesting of RSUs subject to service-based and liquidity-based vesting conditions outstanding as of June 30, 2024, for which the service-based vesting condition was satisfied as of June 30, 2024 and for which the liquidity-based vesting condition will be satisfied in connection with this offering (we expect these RSUs will result in the net issuance of shares of common stock, after withholding shares to satisfy associated estimated tax withholding obligations (based on an assumed % tax withholding rate));

- shares of our common stock issuable upon the vesting of RSUs subject to service-based and liquidity-based vesting conditions outstanding as of June 30, 2024, for which the service-based vesting condition was not yet satisfied as of June 30, 2024 and for which the liquidity-based vesting condition will be satisfied in connection with this offering;

- 68,213 shares of our common stock issuable upon the exercise of a warrant to purchase shares of our common stock outstanding as of June 30, 2024, with an exercise price of $0.00001 per share;

- 2,728,512 shares of our Series F-1 redeemable convertible preferred stock sold after June 30, 2024 in connection with the Series F-1 Financing, which will automatically be converted into shares of our common stock effective upon the completion of this offering (see the section titled "Description of Capital Stock—Series F-1 Financing" for additional information);

- 25,920,873 shares of our common stock reserved for additional purchases in the Series F-1 Financing (see the section titled "Description of Capital Stock—Series F-1 Financing" for additional information);

- a variable number of shares of our common stock that may be issued pursuant to the G42 Option (see the section titled "Description of Capital Stock—Series F-1 Financing—G42" for additional information);

- shares of our common stock reserved for future issuance under the 2024 Plan, which will become effective on the business day immediately prior to the date of effectiveness of the registration statement of which this prospectus forms a part, including new shares and the number of shares (i) that remain available for grant of future awards under the 2016 Plan at the time the 2024 Plan becomes effective, which shares will cease to be available for issuance under the 2016 Plan at such time and (ii) underlying outstanding Prior Plan Awards that expire, or are cancelled, forfeited, reacquired, or withheld; and

- shares of our common stock reserved for future issuance under the ESPP, which will become effective on the business day immediately prior to the date of effectiveness of the registration statement of which this prospectus forms a part.

The 2024 Plan and the ESPP also provide for automatic annual increases in the number of shares reserved thereunder. See the section titled "Executive and Director Compensation—Equity Incentive Plans" for additional information.

If all of the foregoing securities, other than the shares reserved for issuance pursuant to the G42 Option, the 2024 Plan, or the ESPP, were converted, exercised, or vested in connection with this offering, the number of shares of common stock held by our existing stockholders would represent approximately % of the total number of shares of our common stock outstanding after this offering and the number of shares held by new investors would represent approximately % of the total number of shares of our common stock outstanding after this offering, in each case, assuming no exercise of the underwriters' option to purchase additional shares.

To the extent we issue any additional stock options, warrants, or RSUs or any outstanding stock options, warrants, or RSUs are exercised or settled, or to the extent we issue any other securities or convertible debt in the future, including in connection with the Series F-1 Financing or the G42 Option, investors will experience further dilution.

G42 Option

Investors may experience further dilution in connection with the G42 Option. Pursuant to the Series F-1 Purchase Agreement, if G42, or certain third parties at the direction of G42, purchase more than $500.0 million in one purchase order, and less than $5.0 billion in the aggregate, of high-performance computing clusters from us (the "G42 Option Threshold"), we will grant G42 the option to purchase additional shares of our Series F-1 redeemable convertible preferred stock (or, if such option is granted or exercised following the completion of this offering, shares of our common stock), subject to the terms thereof (the "G42 Option"). Shares may be issued pursuant to the

G42 Option in one or more closings. The $1.43 billion of products and services that G42 has committed to purchase pursuant to the G42 May 2024 Agreement (as defined in "Management's Discussion & Analysis—G42 Relationship") does not count toward the G42 Option Threshold. The G42 Option expires if the G42 Option Threshold is not achieved by December 31, 2025. The G42 Option is subject to regulatory approval.

The maximum number of shares that may be purchased pursuant to the G42 Option will be the quotient of (i) the total aggregate purchase price for the G42 Option, which will equal 10% of the value of the relevant purchaser order(s), divided by (ii) (A) if the G42 Option is granted and exercised prior to the completion of this offering, a price per share that is 17.5% below the price per share of our then most recent arms-length sale of our redeemable convertible preferred stock (excluding our Series F-1 redeemable convertible preferred stock), or (B) if the G42 Option is granted or exercised following the completion of this offering, a price per share that is 17.5% below the average closing price per share of our common stock over the 30-day period prior to the G42 Option Threshold being met.

Assuming the G42 Option Threshold is satisfied after this offering, the minimum and maximum number of shares that could be purchased pursuant to the G42 Option, assuming the average closing price per share of our common stock over the 30-day period prior to the G42 Option Threshold being met is $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would be shares of common stock (assuming the G42 Option Threshold is satisfied by product sales of $500.0 million in one purchase order) and shares of common stock (assuming the G42 Option Threshold is satisfied by product sales of $5.0 billion in the aggregate), respectively. If the price per share of our common stock over the 30-day period prior to the G42 Option Threshold being met is greater or lesser than $ per share, the number of shares that could be purchased pursuant to the G42 Option would decrease or increase, respectively.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the "Summary Consolidated Financial Data" section, our audited consolidated financial statements and related notes, and other financial information appearing elsewhere in this prospectus. In addition to historical consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs that involve significant risks and uncertainties. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to those differences include those discussed below and elsewhere in this prospectus, particularly in "Risk Factors" and "Special Note Regarding Forward-Looking Statements."

Data as of and for the years ended December 31, 2023 and 2022 has been derived from our audited consolidated financial statements included elsewhere in this prospectus. Data as of and for the six months ended June 30, 2024 and 2023 has been derived from our unaudited interim condensed consolidated financial statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results to be expected for any period in the future, and results for any interim period should not be construed as an inference of what our results would be for any full year or future period.

Overview

Our mission is to accelerate AI by making it faster, easier to use, and more energy efficient, making AI accessible around the world.

We design processors for AI training and inference. We build AI systems to power, cool, and feed the processors data. We develop software to link these systems together into industry-leading supercomputers that are simple to use, even for the most complicated AI work, using familiar ML frameworks like PyTorch. Customers use our supercomputers to train industry-leading models. We use these supercomputers to run inference at speeds unobtainable on alternative commercial technologies. We deliver these AI capabilities to our customers on premise and via the cloud.

Our business model is designed to meet the needs of our customers. Organizations seeking control over their data and AI compute infrastructure can purchase Cerebras AI supercomputers for on-premise deployment. Those that want the flexibility of a cloud-based platform can purchase Cerebras high-performance AI compute via a consumption-based model through the Cerebras Cloud. We offer customers the flexibility to choose the solution that best aligns with their budgetary, security, and scalability requirements, and some customers choose to use both options simultaneously.

Our customers include CSPs, leading enterprises, Sovereign AI programs, national laboratories, research institutions, and other innovators at the forefront of AI and at the intersection of AI and HPC. We are working to grow our user base and collaborate with our customers to harness the power of AI to tackle their most significant challenges and drive breakthroughs across industries.

We have experienced rapid growth, with revenue of $78.7 million and $24.6 million for the years ended December 31, 2023 and 2022, respectively, representing year-over-year growth of 220%. During the six months ended June 30, 2024 and 2023, we generated $136.4 million and $8.7 million in revenue, respectively. Our net loss for the years ended December 31, 2023 and 2022 was $127.2 million and $177.7 million, respectively, representing a year-over-year reduction of 28%. Our net loss for the six months ended June 30, 2024 and 2023 was $66.6 million and $77.8 million, respectively, representing a year-over-year reduction of 14%.

Our Business Model

We use a combination of direct sales and partnerships to address the rapidly expanding AI market. We offer both on-premise solutions and cloud-based solutions to provide maximum flexibility to our customers. We offer a

collection of services from data center deployment to AI expert services and AI Supercomputer operation and management, to provide our customers with the support they need to train, deploy, and accelerate GenAI time-to-value.

On Premise. We sell our AI Supercomputers to leading organizations who seek maximum control over their data and their AI infrastructure, fulfilling their needs for high-performance AI compute on premise. For on-premise use, we offer deployment services, as well as a subscription to an ongoing stream of software updates and upgrades.

Cloud-Based Computing Services. We sell Cerebras solutions primarily via our hosted cloud offering. Our cloud solutions provide customers fast and flexible access to our powerful AI acceleration hardware, with payment based on time or work (number of models). This offering gives our customers the ability to train LLMs with extraordinary speed and deploy them for inference at ultra-low latencies, all without the complexity or time needed to build and manage on-premise infrastructure.

Cerebras Inference Cloud. Our real-time inference solution is also available via a dedicated inference cloud service. Leveraging our Cerebras Inference Serving Stack, this cloud API offering allows developers to directly point their applications towards efficient and reliable model serving endpoints. On Cerebras Inference Cloud, we host both popular open-source models and proprietary customer models. For customers who do not need direct compute access and are not interested in managing their own inference serving software stack, our inference cloud offering is the quickest and simplest way to leverage our fast model inference services.

We provide a combination of these offerings to customers who may benefit from leveraging both on-premise and cloud-based options—for example, enabling them to quickly use the cloud for their largest training jobs, while enjoying the cost efficiencies of on-premise infrastructure for their baseline AI work. This flexibility allows customers to choose the solution that best aligns with their budgetary, security, and scalability requirements.

Additionally, customers can train models on-premise and then leverage our inference cloud for production, benefiting from flexible serving resources that can adapt to fluctuating demand. This end-to-end solution allows seamless integration from training to production, serving the entire lifecycle of a customer's AI needs.

We also provide professional services to assist customers throughout the AI workflow.

G42 Relationship

We have developed a strategic relationship with Group 42 Holding Ltd (together with its affiliates, "G42") as a partner, customer, and investor. G42, a technology holding group, is an AI and cloud-computing company that develops and deploys cutting-edge, large-scale, AI-powered solutions for governments and large corporations. Founded in Abu Dhabi and operating worldwide, G42 offers a broad range of products and services that apply AI, cloud computing, and data analytics in several verticals, including healthcare, smart cities, finance, energy, and consumer businesses. We have been informed by G42 that its portfolio companies—which contribute AI-driven solutions across various sectors—include Bayanat, a developer of surveying technology; Core42, a provider of cloud infrastructure and professional services; Inception, a developer of AI data and models; Khazna Data Centers, a provider of wholesale data centers; M42, a joint venture between G42 and Mubadala and a provider of medical solutions leveraging data-centric technologies; and Presight, a provider of turnkey solutions across multiple sectors using big data analytics and AI, which also controls AIQ, an AI pioneer in the energy sector. We have been informed by G42 that as of June 30, 2024, G42 was owned by Mubadala, a sovereign investor owned by the Government of Abu Dhabi; SilverLake, a leading global private equity firm specializing in technology; Microsoft Corporation, a multinational technology corporation; the Dalio Family Office, the private investment office of the Dalio family; RGH1 Investment SPV RSC Ltd., a member of the Royal Group of companies; and the Kai Foundation, a foundation incorporated in the Abu Dhabi Global Market.

In November 2021, G42, through an affiliate, acquired an approximate 1% ownership interest in our company as of such date by purchasing approximately 1.4 million shares of our Series F redeemable convertible preferred stock at $27.74 per share, resulting in gross proceeds to us of approximately $40 million.

During the year ended December 31, 2023, G42 purchased cloud-based computing services in the second quarter. In the third quarter of 2023, we entered into a commercial framework agreement and received the first purchase order for an on-premise high-performance computing cluster (comprised of 64 CS systems), as well as a multi-year contract for related data center space and operational services. We began recognizing significant revenue from G42 in the third quarter of 2023. We also received new purchase orders for two additional high-performance computing clusters and related services in the fourth quarter of 2023. We generated significant revenue from G42 in the year ended December 31, 2023, representing $65.1 million, or 83%, of our total revenue.

In April 2024, we entered into an agreement with G42 (the "G42 April 2024 Agreement") pursuant to which G42, or a third party nominee affiliated with G42, intends to issue purchase orders for high-performance computing products and services for a minimum value of $300 million. Pursuant to the G42 April 2024 Agreement, we received a prepayment of $300 million from G42 in May 2024 to be used for payments to third-party vendors to manufacture high-performance computing infrastructure. If the purchase orders are not issued by G42, any portion of the prepayment not paid by us to our third-party vendors will be payable to G42 on demand and our rights to inventory purchased with the prepayment will transfer to G42.

In May 2024, we entered into the Series F-1 Purchase Agreement with G42 pursuant to which G42 agreed to purchase approximately 22.9 million shares of our Series F-1 redeemable convertible preferred stock at $14.66 per share, for anticipated gross proceeds to us of $335 million (the "G42 Primary Purchase"). The closing of the G42 Primary Purchase is subject to regulatory approval, as well as the satisfaction of customary closing conditions. If the G42 Primary Purchase is completed, the shares owned by G42 will represent approximately % of our outstanding common stock following the completion of this offering (or approximately % of our outstanding common stock if the underwriters exercise in full their option to purchase additional shares). Additionally, pursuant to the Series F-1 Purchase Agreement, under certain circumstances, and subject to regulatory approval, G42 will have the option to purchase additional shares of our common stock at a 17.5% discount to the then-fair market value of our shares of common stock. For additional information, see "Description of Capital Stock—Series F-1 Financing—G42."

In May 2024, we also entered into an agreement with G42 (the "G42 May 2024 Agreement") pursuant to which we agreed to certain pricing commitments with G42 through the end of 2025, and G42 agreed that it will purchase, or will cause a third party that may be affiliated or unaffiliated and under a commercial agreement with G42, to purchase, our high-performance computing systems, installation, and support services in an aggregate amount of approximately $1.43 billion by completing the prepayment of such amount before February 28, 2025 and executing binding purchase orders totaling such amount. G42 has informed us that any third party with whom it coordinates to purchase high-performance computing clusters from us would engage G42 or its affiliates to manage and operate the high-performance computing clusters for a fee. The Cerebras systems would be housed in facilities leased by G42 or its affiliates, who would oversee their operation. To the extent third parties make purchases subject to the G42 May 2024 Agreement, such purchases would reduce the amount that G42 purchases directly, but would not alter the total amount committed for purchase under the G42 May 2024 Agreement.

In July 2024, we received a purchase order from G42 for the sale of $178.7 million of our high-performance computing systems, including installation and support services (the "July 2024 PO"). Additionally, we entered into a new agreement, and modified an existing agreement, pursuant to which we agreed to provide operation and management services for certain high-performance computing systems purchased from us by G42. The fees to be paid by G42 under these agreements will be deducted from the initial $300 million prepayment we received as part of the G42 April 2024 Agreement, and the $178.7 million fee for the July 2024 PO fulfills a portion of the prepayment and purchase order commitments under the G42 May 2024 Agreement.

Key Factors Affecting Our Performance

We believe that the growth and future success of our business depends on many factors. While these factors present significant opportunities for our business, they also pose important challenges that we will need to address in order to improve our results of operations.

Commercial relationship with G42. We have derived, and expect to continue to derive, a substantial portion of our revenue from sales to G42. Any changes in G42's demand for our solution, whether due to competitive factors, data center availability, changes in its business strategy, budgetary constraints, or other reasons could materially impact our financial performance in the future. We have received substantial advance payments from G42 for our AI systems to support future installations. These large prepayments have allowed us to reduce our working capital needs and provide G42 access to a significant portion of our initial production volumes to support its ambitious, multi-year AI investment plans.

AI compute demand and increasingly complex models. The escalating global demand for AI training and inference compute, fueled by advancements in LLMs, GenAI, and other AI-powered applications, plays a significant role in the demand for our solution. We have designed our AI compute platform to address the challenges of accelerating large-scale AI workloads, and our customer base in research, government, CSPs, and enterprise sectors reflects the increasing recognition of our differentiated technology. We believe that the increasing complexity of AI models, which require substantial computational resources for training and inference will support the demand for our high-performance AI compute platform. We will depend on continued growth in compute demand to drive our future financial performance.

New customer adoption. Attracting new customers to our platform is a key driver of our revenue growth strategy. We have successfully grown our customer base to include CSPs, leading enterprises, Sovereign AI programs, national laboratories, and research institutions seeking to leverage the power of AI for their specific needs. An increase in new customers will impact our revenue growth and market share and also contributes to a diversified customer base, which can provide greater stability over the long term. Additionally, new customers bring fresh perspectives and use cases, which can drive innovation and product development, further enhancing our competitive position.

AI adoption and the emergence of new use cases and applications. We expect to benefit from the rapid adoption of AI across industries and the emergence of innovative AI use cases and applications. As organizations increasingly recognize the transformative potential of AI to enhance efficiency, productivity, and decision-making, we expect the demand for high-performance AI compute solutions to accelerate. The rapidly expanding range of AI use cases, from natural language processing and computer vision to drug discovery and climate modeling, among others, creates a broad market opportunity for our AI compute solution. We expect our ability to address the evolving needs of diverse industries and applications with cutting-edge AI compute technology to be instrumental in driving our growth and market leadership in the years to come.

Sovereign AI initiatives. The expansion of Sovereign AI initiatives represents a significant opportunity to drive demand for our solution. We believe that our focus on developing secure, high-performance AI infrastructure positions us well to meet this demand.

Investment in technology leadership and product development. Increasing our investment in technology leadership and product development directly impacts our competitive position and future financial performance. Our continued commitment to research and development enables us to focus on emerging market needs and expand into new applications of AI. As we develop new products and services tailored to specific industries and use cases, we can unlock additional demand and continue to broaden our customer base. Additionally, technical leadership is important to help us attract and retain top talent, which is essential for maintaining our technological edge and driving continuous innovation. A talented workforce, in turn, contributes to the development of new solutions that can continue to fuel our revenue growth.

Supply chain and manufacturing capacity. We operate a fabless business model that utilizes third-party suppliers and manufacturers, such as third-party wafer foundries and module assembly and test service providers in a number of countries, including outside the United States. We do not generally have long-term capacity commitments with our suppliers, and we source a number of the components used in our products from sole or single-source suppliers or use a single supplier to perform certain of the processes involved in the manufacture of our products. The continued and timely supply of input materials and the availability of manufacturing capacity and packaging and testing services impact our ability to meet customer demand. Onboarding new third-party suppliers

and our dependency on them to allocate sufficient manufacturing capacity to meet our needs in a cost-effective and timely manner may impact our ability to scale and support growing customer demand.

Non-GAAP Financial Measures

We use certain non-GAAP financial measures to supplement the performance measures in our consolidated financial statements, which are presented in accordance with GAAP. These non-GAAP financial measures include non-GAAP operating loss and non-GAAP net loss. We use these non-GAAP financial measures for financial and operational decision-making and as a means to assist us in evaluating period-to-period comparisons. By excluding certain items that may not be indicative of our recurring core operating results, we believe that non-GAAP operating loss and non-GAAP net loss provide meaningful supplemental information regarding our performance. Accordingly, we believe these non-GAAP financial measures are useful to investors and others because they allow for additional information with respect to financial measures used by management in its financial and operational decision-making and they may be used by our institutional investors and the analyst community to help them analyze the health of our business. However, there are a number of limitations related to the use of non-GAAP financial measures, and these non-GAAP measures should be considered in addition to, not as a substitute for or in isolation from, our financial results prepared in accordance with GAAP. Other companies, including companies in our industry, may calculate these non-GAAP financial measures differently or not at all, which reduces their usefulness as comparative measures.

Non-GAAP Operating Loss

We define non-GAAP operating loss as operating loss presented in accordance with GAAP, adjusted to exclude stock-based compensation expenses. We have presented non-GAAP operating loss because we consider non-GAAP operating loss to be a useful metric for investors and other users of our financial information in evaluating our operating performance because it excludes the impact of stock-based compensation, a non-cash charge that can vary from period to period for reasons that are unrelated to our core operating performance. This metric also provides investors and other users of our financial information with an additional tool to compare business performance across companies and periods, while eliminating the effects of items that may vary for different companies for reasons unrelated to core operating performance.

A reconciliation of our GAAP operating loss, the most directly comparable GAAP financial measure, to non-GAAP operating loss is presented below:

	Year Ended December 31,		Six Months Ended June 30,	
	2023	2022	2024	2023
	(in thousands)		(in thousands)	
GAAP operating loss	$ (133,934)	$ (178,821)	$ (41,811)	$ (81,015)
Add: Stock-based compensation expense	26,631	23,044	32,329	9,260
Non-GAAP operating loss	$ (107,303)	$ (155,777)	$ (9,482)	$ (71,755)

Non-GAAP Net Loss

We monitor non-GAAP net loss for planning and performance measurement purposes. We define non-GAAP net loss as net loss reported on our consolidated statements of operations, excluding the impact of stock-based compensation expenses and change in fair value of forward contract liability. We have presented non-GAAP net loss because we believe that the exclusion of these charges allows for a more relevant comparison of our results of operations to other companies in our industry and facilitates period-to-period comparisons as it eliminates the effect of certain factors unrelated to our overall operating performance. Our calculation of non-GAAP net loss does not currently include the tax effects of the stock-based compensation expense adjustment because such tax effects have not been material to date.

A reconciliation of our GAAP net loss, the most directly comparable GAAP financial measure, to our non-GAAP net loss is presented below:

	Year Ended December 31,		Six Months Ended June 30,	
	2023	2022	2024	2023
	(in thousands)		(in thousands)	
GAAP net loss	$ (127,155)	$ (177,719)	$ (66,605)	$ (77,820)
Add: Stock-based compensation expense[(1)]	26,631	23,044	32,329	9,260
Add: Change in fair value of forward contract liability	—	—	30,327	—
Non-GAAP net loss	$ (100,524)	$ (154,675)	$ (3,949)	$ (68,560)

(1) Non-GAAP net loss does not include the tax effects of the stock-based compensation expense adjustment because such tax effects were not material during the periods presented.

Components of Results of Operations

Revenue

We generate revenue primarily from the sale of AI systems, support services, cloud-based computing services, and custom AI modeling services. We primarily sell directly to end customers. Contracts with our customers typically include multiple performance obligations. For contracts with more than one performance obligation, we allocate the transaction price to each separate obligation. Our payment terms vary by contract type and type of customer and generally range from 30 to 60 days from the invoice date.

Hardware Revenue

Hardware revenue consists of sales of our AI systems that can be used for both training and inference. We recognize revenue from sales of AI systems when control of the goods transfers to the customer, which generally occurs upon shipment or delivery, depending on shipping terms or upon meeting the contractual acceptance terms.

Services and Other Revenue

We generate services and other revenue primarily through sales of one- to three-year support services, cloud-based computing services, and custom AI modeling services.

We recognize revenue from sales of support services and cloud-based computing services, including hosted inference, over the service term, as the customer benefits from our services throughout the contract period.

We generate revenue from custom AI modeling services over time as services are provided or at a point-in-time upon completion and acceptance by the customer of contract deliverables, depending on the terms of the agreement.

Cost of Sales and Gross Profit

Hardware Cost of Sales

Cost of sales for hardware consists primarily of the cost of materials, such as wafers processed by third-party foundries, costs associated with packaging, assembly, shipping, logistics, quality assurance, warranty cost, cost of personnel, including salaries, stock-based compensation, and employee benefits, write-down of inventories, and facilities expenses.

Services and Other Cost of Sales

Cost of sales for services and other revenue primarily consist of data center costs, depreciation of equipment, cost of personnel, including salaries, stock-based compensation, and employee benefits, and facilities expenses.

Gross Profit and Gross Margin

Gross profit represents revenue less cost of sales. Gross margin is gross profit expressed as a percentage of revenue. Our gross profit has been, and we expect will continue to be, influenced by several factors, including sales volume and pricing of our products and services, changes in inventory costs, including wafer yield, contract manufacturing, and supplier pricing, data center costs, cost of logistics, and personnel costs.

Operating Expenses

Research and Development Expenses

Research and development expenses primarily consist of costs incurred in performing research and development activities and include salaries, stock-based compensation, employee benefits, tape-out costs, which include layout services, mask sets, prototype components, system qualification and testing incurred before releasing new system designs into production, shipping, data center costs, depreciation and amortization, professional services fees, cloud computing, and facilities expenses. We expense research and development costs as incurred.

We also expense software development costs, including costs to develop the software component of hardware to be sold, leased, or marketed to external users, before technological feasibility is reached. Technological feasibility is typically reached shortly before the release of such products.

Sales and Marketing Expenses

Sales and marketing expenses primarily consist of personnel costs, including salaries, stock-based compensation, employee benefits, public relations costs, tradeshow and other sales event costs, travel and entertainment costs, and facilities expenses.

General and Administrative Expenses

General and administrative expenses consist primarily of personnel costs, including salaries, stock-based compensation, employee benefits and bonuses related to corporate, finance, legal, information technology and human resource functions, professional services fees, audit and compliance expenses, software subscription costs, travel and entertainment costs, insurance costs, depreciation and amortization, allocation of facilities and other general corporate expenses. We expect to incur additional expenses as a result of operating as a public company, including expenses to comply with the rules and regulations applicable to companies listed on a national securities exchange, expenses related to auditing, compliance, and reporting obligations pursuant to the rules and regulations of the SEC, as well as higher expenses for general and director and officer insurance, investor relations, and professional services.

Interest Income and Other Income (Expense), Net

Interest income and other income (expense), net consists primarily of interest income, dividend income, and realized gains or losses on debt securities, foreign exchange losses, and gains and losses arising from remeasurement of forward contract liability and warrant liability to fair value at each reporting date.

Income Tax Expense

Income tax expense consists of U.S. federal and state income taxes and income taxes in certain foreign jurisdictions in which we conduct business. We maintain a full valuation allowance on our federal and state deferred

tax assets as we have concluded that it is more likely than not that the deferred tax assets will not be realized. Our effective tax rate is affected by tax rates in foreign jurisdictions and the relative amounts of income we earn in those jurisdictions, as well as non-deductible expenses, such as stock-based compensation, and changes in our valuation allowance.

Results of Operations

The following tables set forth selected consolidated statements of operations data for each of the periods indicated:

	Year Ended December 31,		Six Months Ended June 30,	
	2023	2022	2024	2023
	(in thousands)			
Revenue:				
Hardware	$ 57,114	$ 15,599	$ 104,269	$ 1,559
Services and other	21,630	9,020	32,133	7,105
Total revenue	78,744	24,619	136,402	8,664
Cost of sales[(1)]:				
Hardware	45,559	19,195	66,442	1,980
Services and other	6,827	2,534	13,941	2,306
Total cost of sales	52,386	21,729	80,383	4,286
Gross profit	26,358	2,890	56,019	4,378
Operating expenses:				
Research and development[(1)]	140,057	155,408	77,742	76,295
Sales and marketing[(1)]	9,642	9,401	7,237	4,176
General and administrative[(1)]	10,593	16,902	12,851	4,922
Total operating expenses	160,292	181,711	97,830	85,393
Loss from operations	(133,934)	(178,821)	(41,811)	(81,015)
Interest income	5,683	1,076	3,809	2,349
Other income (expense), net	1,228	230	(28,284)	918
Loss before income tax	(127,023)	(177,515)	(66,286)	(77,748)
Income tax expense	132	204	319	72
Net loss	$ (127,155)	$ (177,719)	$ (66,605)	$ (77,820)

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

	Year Ended December 31,		Six Months Ended June 30,	
	2023	2022	2024	2023
	(in thousands)		(in thousands)	
Cost of sales	$ 309	$ 223	$ 420	$ 51
Research and development	21,187	17,732	23,905	7,367
Sales and marketing	3,563	832	3,195	1,075
General and administrative	1,572	4,257	4,809	767
Total stock-based compensation expense	$ 26,631	$ 23,044	$ 32,329	$ 9,260

Stock-based compensation expense included $9.0 million, $8.6 million, $18.5 million, and $0.9 million for the years ended December 31, 2023 and for the six months ended June 30, 2024 and 2023, respectively, related to secondary transactions in each period and a common stock repurchase from employees during the year ended December 31, 2022. See Note 12 to our audited consolidated financial statements and our unaudited interim

condensed consolidated financial statements included elsewhere in this prospectus for additional details on the secondary transactions.

The following table sets forth selected consolidated statements of operations data expressed as a percentage of revenue for each of the periods indicated:

	Year Ended December 31,		Six Months Ended June 30,	
	2023	2022	2024	2023
	(as a percentage of revenue)			
Revenue:				
Hardware	72.5 %	63.4 %	76.4 %	18.0 %
Services and other	27.5	36.6	23.6	82.0
Total revenue	100.0	100.0	100.0	100.0
Cost of sales:				
Hardware	57.8	78.0	48.7	22.9
Services and other	8.7	10.3	10.2	26.6
Total cost of sales	66.5	88.3	58.9	49.5
Gross profit	33.5	11.7	41.1	50.5
Operating expenses:				
Research and development	177.9	631.2	57.0	880.6
Sales and marketing	12.2	38.2	5.3	48.2
General and administrative	13.5	68.7	9.4	56.8
Total operating expenses	203.6	738.1	71.7	985.6
Loss from operations	(170.1)	(726.4)	(30.6)	(935.1)
Interest income	7.2	4.4	2.8	27.1
Other income (expense), net	1.6	0.9	(20.7)	10.6
Loss before income tax	(161.3)	(721.1)	(48.5)	(897.4)
Income tax expense	0.2	0.8	0.2	0.8
Net loss	(161.5)%	(721.9)%	(48.7)%	(898.2)%

Comparison of the Six Months Ended June 30, 2024 and 2023

Revenue

	Six Months Ended June 30,			
	2024	2023	$ Change	% Change
	(in thousands, except percentages)			
Hardware	$ 104,269	$ 1,559	$ 102,710	NM
Services and other	32,133	7,105	25,028	NM
Total revenue	$ 136,402	$ 8,664	$ 127,738	1,474 %

NM – Not meaningful

Our total revenue for the six months ended June 30, 2024 increased by $127.7 million, or 1,474%, compared to the six months ended June 30, 2023. This increase was primarily due to hardware revenue, which grew by $102.7 million. The growth was attributable to a significant increase in the number of AI systems sold. Services and other revenue increased by $25.0 million primarily due to an increase in professional services and ongoing support services as a result of our growing installed base. We generated significant revenue from G42 for the six months

ended June 30, 2024 and 2023, representing $119.1 million and $3.7 million, respectively, or 87% and 43%, respectively, of our total revenue. During the six months ended June 30, 2024, G42 represented $101.3 million, or 97%, and $17.8 million, or 56%, of hardware revenue and services and other revenue, respectively. During the six months ended June 30, 2023, G42 represented $3.7 million, or 52%, of services and other revenue. No hardware revenue was recognized from G42 during the six months ended June 30, 2023.

Cost of Sales

	Six Months Ended June 30,			
	2024	2023	$ Change	% Change
	(in thousands, except percentages)			
Hardware	$ 66,442	$ 1,980	$ 64,462	NM
Services and other	13,941	2,306	11,635	NM
Cost of sales	$ 80,383	$ 4,286	$ 76,097	NM

_____
NM – Not meaningful

Cost of sales for the six months ended June 30, 2024 increased by $76.1 million compared to the six months ended June 30, 2023 primarily due to an increase in the number of AI systems sold, and growth in our professional services, and ongoing support services.

Gross Profit and Gross Margin

	Six Months Ended June 30,			
	2024	2023	$ Change	% Change
	(in thousands, except percentages)			
Gross profit	$ 56,019	$ 4,378	$ 51,641	NM
Gross margin	41.1 %	50.5 %		

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NM – Not meaningful

Gross profit for the six months ended June 30, 2024 was $56.0 million, an increase of $51.6 million compared to $4.4 million in the six months ended June 30, 2023. Gross margin decreased from 50.5% to 41.1%, primarily due to a volume price discount for a significant customer order partially offset by lower bill of materials costs during the six months ended June 30, 2024.

Operating Expenses

Research and Development

	Six Months Ended June 30,			
	2024	2023	$ Change	% Change
	(in thousands, except percentages)			
Research and development	$ 77,742	$ 76,295	$ 1,447	2 %
Percentage of revenue	57 %	881 %		

Research and development expenses for the six months ended June 30, 2024 remained largely consistent with the six months ended June 30, 2023. During the six months ended June 30, 2024, stock-based compensation expense increased by $16.5 million, though this was largely offset by a reduction in non-recurring engineering services.

Sales and Marketing

	Six Months Ended June 30,			
	2024	2023	$ Change	% Change
	(in thousands, except percentages)			
Sales and marketing	$ 7,237	$ 4,176	$ 3,061	73 %
Percentage of revenue	5 %	48 %		

Sales and marketing expenses for the six months ended June 30, 2024 increased by $3.1 million, or 73%, compared to the six months ended June 30, 2023. The increase in sales and marketing expenses was primarily due to an increase in stock-based compensation expenses and personnel-related expenses as a result of an increase in headcount.

General and Administrative

	Six Months Ended June 30,			
	2024	2023	$ Change	% Change
	(in thousands, except percentages)			
General and administrative	$ 12,851	$ 4,922	$ 7,929	161 %
Percentage of revenue	9 %	57 %		

General and administrative expenses for the six months ended June 30, 2024 increased by $ 7.9 million, or 161%, compared to the six months ended June 30, 2023. The increase in general and administrative expenses was primarily due to an increase in personnel-related expenses, including stock-based compensation expense and legal and other professional services to support our growth.

Interest Income and Other (Expense) Income, Net

	Six Months Ended June 30,			
	2024	2023	$ Change	% Change
	(in thousands, except percentages)			
Interest income	$ 3,809	$ 2,349	$ 1,460	62 %
Other income (expense), net	$ (28,284)	$ 918	$ (29,202)	NM

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NM – Not meaningful

Interest income for the six months ended June 30, 2024 increased by $1.5 million, or 62%, compared to the six months ended June 30, 2023. The increase was primarily attributable to stronger yield on higher invested cash, cash equivalents, and investments. The change in other (expense) income, net was primarily attributable to a change in fair value of Series F-1 redeemable convertible preferred stock forward contract liability recorded during the six months ended June 30, 2024.

Income Tax Expense

	Six Months Ended June 30,			
	2024	2023	$ Change	% Change
	(in thousands, except percentages)			
Income tax expense	$ 319	$ 72	$ 247	343 %

Income tax expense for the six months ended June 30, 2024 increased compared to the six months ended June 30, 2023 due to a change in the measurement of our deferred tax liability and an increase in state income tax.

Comparison of the Years Ended December 31, 2023 and 2022

Revenue

	Year Ended December 31,			
	2023	2022	$ Change	% Change
	(in thousands, except percentages)			
Hardware	$ 57,114	$ 15,599	$ 41,515	266 %
Services and other	21,630	9,020	12,610	140 %
Total revenue	$ 78,744	$ 24,619	$ 54,125	220 %

Total revenue for the year ended December 31, 2023 increased by $54.1 million, or 220%, compared to the year ended December 31, 2022, primarily due to the increase in hardware revenue. Hardware revenue increased by $41.5 million for the year ended December 31, 2023 compared to the year ended December 31, 2022. This increase was primarily due to an approximately four-fold increase in the number of AI systems sold. Services and other revenue increased $12.6 million for the year ended December 31, 2023 compared to the year ended December 31, 2022, primarily due to an increase in professional services as well as an increase ongoing support services as a result of our growing installed base. We generated significant revenue from G42 for the year ended December 31, 2023, representing $65.1 million, or 83%, of our total revenue. G42 represented $54.5 million, or 95%, and $10.7 million, or 49%, of hardware revenue and services and other revenue, respectively, for the year ended December 31, 2023. No revenue was recognized from G42 for the year ended December 31, 2022.

Cost of Sales

	Year Ended December 31,			
	2023	2022	$ Change	% Change
	(in thousands, except percentages)			
Hardware	$ 45,559	$ 19,195	$ 26,364	137 %
Services and other	6,827	2,534	4,293	169 %
Cost of sales	$ 52,386	$ 21,729	$ 30,657	141 %

Cost of sales for the year ended December 31, 2023 increased by $30.7 million, or 141%, compared to the year ended December 31, 2022, primarily due to an increase in the number of AI systems sold as well as increased costs from more professional and ongoing support services being delivered. These increases were partially offset by a $8.3 million decrease in write-offs and provision for excess and obsolete inventory due to transition from an older generation to a newer generation of our AI systems in 2022.

Gross Profit and Gross Margin

	Year Ended December 31,			
	2023	2022	$ Change	% Change
	(in thousands, except percentages)			
Gross profit	$ 26,358	$ 2,890	$ 23,468	NM
Gross margin	33.5 %	11.7 %		

NM – Not meaningful

Gross profit for the year ended December 31, 2023, was $26.4 million, an increase of $23.5 million compared to $2.9 million in the year ended December 31, 2022. Gross margin for the year ended December 31, 2023 increased to 33.5% from 11.7% for the year ended December 31, 2022. Charges to cost of sales for write-offs and provision for

excess and obsolete inventory were $2.5 million and $10.8 million during the years ended December 31, 2023 and 2022, respectively, which negatively affected our gross margin during those years.

Operating Expenses

Research and Development

	Year Ended December 31,			
	2023	2022	$ Change	% Change
	(in thousands, except percentages)			
Research and development	$ 140,057	$ 155,408	$ (15,351)	(10) %
Percentage of revenue	178 %	631 %		

Research and development expenses for the year ended December 31, 2023 decreased by $15.4 million, or 10%, compared to the year ended December 31, 2022. The decrease in research and development expenses was primarily attributable to reduced compensation and benefits as a result of a reduction in employee workforce executed during the third quarter of 2022 and the first quarter of 2023.

Sales and Marketing

	Year Ended December 31,			
	2023	2022	$ Change	% Change
	(in thousands, except percentages)			
Sales and marketing	$ 9,642	$ 9,401	$ 241	3 %
Percentage of revenue	12 %	38 %		

Sales and marketing expenses for the year ended December 31, 2023 remained largely consistent with the year ended December 31 2022.

General and Administrative

	Year Ended December 31,			
	2023	2022	$ Change	% Change
	(in thousands, except percentages)			
General and administrative	$ 10,593	$ 16,902	$ (6,309)	(37) %
Percentage of revenue	14 %	69 %		

General and administrative expenses for the year ended December 31, 2023 decreased by $6.3 million, or 37%, compared to the year ended December 31, 2022. The decrease in general and administrative expenses was primarily attributable to a decrease in stock-based compensation expense in 2023 compared to the expense recorded for a common stock repurchase transaction in 2022, a decrease in compensation and benefits due to a reduction in employee workforce executed during the third quarter of 2022 and the first quarter of 2023, and a decrease in other general administrative expenses.

Interest Income and Other Income, Net

	Year Ended December 31,			
	2023	2022	$ Change	% Change
	(in thousands, except percentages)			
Interest income	$ 5,683	$ 1,076	$ 4,607	NM
Other income, net	$ 1,228	$ 230	$ 998	NM

NM – Not meaningful

Interest income for the year ended December 31, 2023 increased by $4.6 million compared to the year ended December 31, 2022. The increase in interest income was primarily attributable to higher yield received on invested cash, cash equivalents, and investments. Other income, net for the year ended December 31, 2023 increased by $1.0 million compared to the year ended December 31, 2022. The increase in other income, net was primarily attributable to an increase in dividend income and remeasurement of the warrant liability.

Income Tax Expense

	Year Ended December 31,			
	2023	2022	$ Change	% Change
	(in thousands, except percentages)			
Income tax expense	$ 132	$ 204	$ (72)	(35) %

Income tax expense for the year ended December 31, 2023 decreased compared to the year ended December 31, 2022 due to a change in the measurement of our deferred tax liability.

Quarterly Results of Operations

The following table sets forth selected unaudited quarterly consolidated statements of operations data for each of the six quarters ended June 30, 2024. The information for each of these quarters has been prepared on the same basis as our audited consolidated financial statements and reflect, in the opinion of management, all adjustments, consisting of normal, recurring adjustments that are necessary for a fair statement of this information. These quarterly operating results are not necessarily indicative of the results that may be expected for a full year or any other fiscal period. This information should be read in conjunction with our audited consolidated financial statements and related notes included elsewhere in the prospectus.

	Three Months Ended					
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024
	(in thousands)					
Revenue:						
Hardware	$ 1,354	$ 205	$ 28,933	$ 26,622	$ 49,411	$ 54,858
Services and other	1,583	5,522	6,182	8,343	17,220	14,913
Total revenue	2,937	5,727	35,115	34,965	66,631	69,771
Cost of sales[(1)]:						
Hardware	1,094	885	21,867	21,713	33,619	32,823
Services and other	488	1,819	2,254	2,266	7,873	6,068
Total cost of sales	1,582	2,704	24,121	23,979	41,492	38,891
Gross profit	1,355	3,023	10,994	10,986	25,139	30,880
Gross margin	46.1 %	52.8 %	31.3 %	31.4 %	37.7 %	44.3 %
Total operating expenses[(1)]	54,323	31,069	31,656	43,244	43,190	54,640
Loss from operations	(52,968)	(28,046)	(20,662)	(32,258)	(18,051)	(23,760)
Net loss	$ (51,592)	$ (26,227)	$ (18,461)	$ (30,875)	$ (15,750)	$ (50,855)

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(1) Includes stock-based compensation as follows:

	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024
	(in thousands)					
Cost of Sales	$ 10	$ 41	$ 86	$ 172	$ 189	$ 231
Operating expenses	4,444	4,765	6,734	10,379	9,237	22,672
Total stock-based compensation	$ 4,454	$ 4,806	$ 6,820	$ 10,551	$ 9,426	$ 22,903

Revenue

Hardware revenue varies based on the number of AI systems delivered and has significantly increased over time. Services and other revenue generally increased due to ongoing increases in support services as a result of our growing installed base, other than in the second quarter of 2024, when we recognized lower professional services project-based revenue.

Cost of Sales

Cost of sales has primarily varied sequentially with the volume of AI systems, professional services, and ongoing support services delivered in each quarter and has significantly increased over time.

Gross Profit and Gross Margin

Gross profit has primarily increased as a result of higher revenues. Our gross margin percentage decreased beginning in the third quarter of 2023 due to a volume price discount for a significant customer order and then began to improve over the quarters presented primarily due to lower bill of materials costs.

Total Operating Expenses

Research and development expense was the largest component of our operating expenses and was approximately 80% or higher during the quarters presented. In the first quarter of 2023, we incurred a significant expense for non-recurring engineering services, partially offset by a reduction in workforce during the third quarter of 2022. Beginning in the fourth quarter of 2023, the level of operating expenses generally increased due to higher

stock-based compensation charges attributable to secondary market transactions, as well as higher personnel and other costs to support the significant step up in revenue growth in the first half of 2024.

Quarterly Trends in Non-GAAP Financial Measures

Non-GAAP Operating Loss and Non-GAAP Net Loss

The following tables set forth our non-GAAP operating loss and non-GAAP net loss (income), for each of the periods presented. See the section titled "—Non-GAAP Financial Measures" for the details of how we calculate non-GAAP operating loss and non-GAAP net loss:

	Three Months Ended					
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024
	(in thousands)					
GAAP operating loss	$ (52,968)	$ (28,046)	$ (20,662)	$ (32,258)	$ (18,051)	$ (23,760)
Add: Stock-based compensation expense	4,454	4,806	6,820	10,551	9,426	22,903
Non-GAAP operating loss	$ (48,514)	$ (23,240)	$ (13,842)	$ (21,707)	$ (8,625)	$ (857)

	Three Months Ended					
	March 31, 2023	June 30, 2023	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024
	(in thousands)					
GAAP net loss	$ (51,592)	$ (26,227)	$ (18,461)	$ (30,875)	$ (15,750)	$ (50,855)
Add: Stock-based compensation expense[(1)]	4,454	4,806	6,820	10,551	9,426	22,903
Add: Change in fair value of forward contract liability	—	—	—	—	—	30,327
Non-GAAP net (loss) income	$ (47,138)	$ (21,421)	$ (11,641)	$ (20,324)	$ (6,324)	$ 2,375

(1) Non-GAAP net (loss) income does not include the tax effects of the stock-based compensation expense adjustment because such tax effects were not material during the periods presented.

Liquidity and Capital Resources

As of June 30, 2024 and December 31, 2023, our principal sources of liquidity were cash, cash equivalents, restricted cash, and investments of $472.5 million and $152.4 million. Restricted cash consisted of $263.0 million as of June 30, 2024 and was primarily due to prepayments from G42. Our cash and cash equivalents primarily consisted of cash deposited in money market or holding accounts with financial institutions. Our investments primarily included time deposits and U.S. Treasury securities that have an initial maturity of greater than three months but less than or equal to one year as of period end. In May 2024, we received commitments from G42 and an existing stockholder to provide additional capital of $380.0 million through the purchase of shares of our Series F-1 redeemable convertible preferred stock, subject to regulatory approval and satisfaction of customary closing conditions. The regulatory approval and satisfaction of customary closing conditions were not met as of June 30, 2024. In July and August 2024, we sold an aggregate of 2,728,512 shares of our Series F-1 redeemable convertible preferred stock at a purchase price of $14.66 per share, for an aggregate purchase price of $40.0 million.

Since our inception, we have financed our operations primarily through sales of redeemable convertible preferred stock and payments from our customers, including prepayments from G42. We had no outstanding debt as of June 30, 2024 and December 31, 2023. Our principal uses of cash in recent periods have been to fund our operations, invest in research and development and to purchase investments. As of June 30, 2024 and December 31, 2023, we had an accumulated deficit of $728.2 million and $ 661.6 million, respectively.

Our short-term and long-term liquidity requirements primarily arise from research and development efforts, as well as inventory and other working capital requirements. We have used funds to make investments, capital expenditures, and common stock repurchases from time to time. Our ability to fund our liquidity requirements will depend, in part, on our future cash flows, which are determined by our future operating performance and, therefore, subject to prevailing global macroeconomic conditions and financial, business, and other factors, some of which are beyond our control.

If we are unable to obtain funding when necessary, we may be forced to delay, reduce, or eliminate some or all of our research and development programs, product portfolio expansion, or commercialization efforts. However, we believe that our existing cash and cash equivalents and investments will provide sufficient liquidity to operate our business and fund our current and assumed obligations for at least the next 12 months. We expect to require additional capital resources in the future, or may determine to raise additional funds opportunistically. If we raise additional funds through future issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences, and privileges superior to those of holders of our common stock. In addition, incurring any indebtedness would increase our fixed obligations, and may include covenants or other restrictions that could impede our ability to manage our operations. We continuously evaluate our liquidity and capital resources, including our access to external capital, and our future capital requirements will depend on many factors, including working capital needs, costs to hire and retain employees in a highly competitive industry, and research and development expenditures, among others. We cannot be sure that we will be able to obtain financing on reasonable terms, or at all, in the future.

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

	Year Ended December 31,		Six Months Ended June 30,	
	2023	2022	2024	2023
	(in thousands)			
Net cash provided by (used in) operating activities	$ (78,977)	$ (164,402)	$ 311,813	$ (70,185)
Net cash provided by (used in) investing activities	81,701	137,393	(9,750)	55,490
Net cash provided by financing activities	5,933	9,104	17,225	2,376

Operating Activities

Net cash provided by operating activities of $311.8 million for the six months ended June 30, 2024 primarily consisted of net loss of $66.6 million, a $300.0 million increase in a customer deposits for an advance received from G42, a $29.7 million increase in deferred revenue due to increased sales of support services, non-cash addbacks for stock-based compensation expense of $32.3 million and the change in fair value of forward contract liability of $30.3 million. Net working capital usage included a $33.9 million increase in inventory primarily due to higher order volumes, and an $11.8 million increase in prepaid expenses and other assets, partially offset by a $20.6 million increase in other liabilities.

Net cash used in operating activities of $70.2 million for the six months ended June 30, 2023 primarily included net loss of $77.8 million, addbacks for non-cash items of $9.3 million for stock-based compensation expense and $5.7 million for depreciation and amortization, and a reduction of $9.0 million due to an increase in inventory primarily due to higher order volumes.

Net cash used in operating activities of $79.0 million for the year ended December 31, 2023 included net loss of $127.2 million, a $25.2 million increase in inventory primarily due to increased sales, a $3.0 million increase in accounts receivable due to timing of customer payments, and a $1.6 million decrease in accrued compensation and benefits related to a decrease in headcount. These cash flow uses were partially offset by non-cash adjustments of $38.4 million, primarily consisting of stock-based compensation expense, depreciation and amortization, loss on disposal of property and equipment, changes in our provision for excess and obsolete inventories, amortization of

discount on investments and non-cash lease expense, a $15.2 million increase in deferred revenue due to increased sales of support services and prepaid cloud computing services, a $10.3 million increase in accrued expenses, and a $9.8 million increase in accounts payable related to timing of purchases and payments.

Net cash used in operating activities of $164.4 million for the year ended December 31, 2022 included net loss of $177.7 million, and a $37.5 million increase in inventory primarily due to an increase in sales. Non-cash addbacks in operating activities were $49.7 million, primarily consisting of stock-based compensation expense, depreciation and amortization, loss on disposal of property and equipment, non-cash lease expense, and changes in our provision for excess and obsolete inventories.

Investing Activities

Net cash used in investing activities of $9.8 million for the six months ended June 30, 2024 was the result of $152.8 million in various purchases of investments, and $11.8 million in purchases of property and equipment, partially offset by $154.9 million in maturities and sales of various investments.

Net cash provided by investing activities of $55.5 million for the six months ended June 30, 2023 was primarily the result of $194.8 million in maturities and sales of various investments partially offset by $138.9 million in purchases of various investments.

Net cash provided by investing activities of $81.7 million for the year ended December 31, 2023 was the result of $353.9 million in maturities and sales of various investments partially offset by $265.6 million in various purchases of investments, and $6.6 million in purchases of property and equipment.

Net cash provided by investing activities of $137.4 million for the year ended December 31, 2022 was the result of $355.1 million in maturities and sales of various investments partially offset by $207.2 million in purchases of various investments and $10.5 million in purchases of property and equipment.

Financing Activities

Net cash provided by financing activities of $17.2 million for the six months ended June 30, 2024 was the result of proceeds from stock option exercises of $18.3 million offset in part by $1.0 million in payments of deferred offering costs.

Net cash provided by financing activities of $2.4 million for the six months ended June 30, 2023 was the result of proceeds from stock option exercises.

Net cash provided by financing activities of $5.9 million for the year ended December 31, 2023 was the result of proceeds from stock option exercises.

Net cash provided by financing activities of $9.1 million for the year ended December 31, 2022 was the result of $10.0 million from the sale of shares of common stock and $3.0 million in proceeds from stock option exercises, partially offset by $3.9 million from the repurchase of shares of common stock.

Commitments and Contractual Obligations

Operating lease commitments. As of June 30, 2024, our operating lease commitments included data centers and corporate office leases, for which we had fixed lease payment obligations of $32.6 million, with $10.3 million to be paid within 12 months of June 30, 2024, and the remainder thereafter. See "*Leases*" in Note 14 to our unaudited condensed consolidated financial statements included elsewhere in this prospectus for additional information.

Purchase commitments. Our purchase commitments are primarily related to software licenses and consulting services. As of June 30, 2024, future payments related to non-cancelable commitments of $5.9 million (2024), $11.0

million (2025), and $2.7 million (2026) . See "*Commitments and Contingencies*" in Note 15 to our unaudited condensed consolidated financial statements included elsewhere in this prospectus for additional information.

Quantitative and Qualitative Disclosures About Market Risk

Foreign Currency and Exchange Risk

The functional currency of all our entities is the local currency of that entity's jurisdiction. As such, we expect to be exposed to both currency transaction remeasurement and translation risk. However, we engage in a small number and immaterial amount of transactions outside of the functional currency of the reporting unit, resulting in negligible exposure to foreign currency risk. We have not hedged such exposure, although we may do so in the future. Any fluctuations in exchange rates may adversely affect our financial position, results of operations and cash flows.

Interest Rate Risk

We had cash, cash equivalents, restricted cash, and investments of $472.5 million as of June 30, 2024. Cash and cash equivalents primarily consists of amounts deposited in money market instruments with financial institutions that have an original maturity of three months or less. Our investments generally consist of time deposits, U.S. Treasury securities, and corporate debt securities. We hold cash, cash equivalents, and investments for working capital purposes. The primary objective of our investment activities is to preserve principal. We do not enter into investments for trading or speculative purposes and have not used any derivative financial instruments to manage our interest rate risk exposure. Due to the short-term nature of our investments, we have not been exposed to, nor do we anticipate being exposed to, material risks due to changes in interest rates. A hypothetical 10% change in interest rates during any of the periods presented would not have had a material impact on our historical consolidated financial statements.

Critical Accounting Estimates

We prepare our financial statements in accordance with U.S. GAAP. In preparing these financial statements, we are required to make estimates and judgments that affect the amounts and balances reported and contingencies disclosed. We evaluate our estimates on an ongoing basis, specifically including those related to revenue recognition, inventory, stock-based compensation, valuation of our common stock, and income taxes, and base our estimates on historical experience and 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 and liabilities.

The following critical accounting estimates require the use of significant judgment and estimation in the preparation of our audited consolidated financial statements. The accounting estimates and judgment discussed in this section are those that we consider to be the most critical in the preparation of our audited consolidated financial statements. See "*Significant Accounting Policies*" in Note 4 to our audited consolidated financial statements included elsewhere in this prospectus for additional information.

Revenue Recognition

We derive substantially all of our revenue through sales of hardware and embedded software and through provision of installation, integration, and acceptance services and other technical support to our customers.

Contracts with Multiple Performance Obligations

A critical estimate required in recognizing revenue relates to contracts consisting of more than one performance obligation. When a contract with a customer consists of more than one performance obligation, we must exercise judgment in determining whether each obligation within the contract is distinct as well as in determining the relative standalone selling price to allocate to each performance obligation.

Typically, the standalone selling price is the price at which we sell a promised good or service separately to a customer. The best evidence of the standalone selling price, when available, is the price we have charged for goods or services in similar circumstances and to similar customers. If the standalone selling price is not directly observable, management estimates the standalone selling price using various observable inputs including cost-plus expected margin analysis due to the limited standalone sales history.

See "*Revenue Recognition*" in Note 4 to our audited consolidated financial statements included elsewhere in this prospectus for additional information.

Inventory

Our inventories consist primarily of semiconductors, memory products, and other component parts purchased from subcontractors and are carried as raw materials, work-in-progress, and finished goods. We account for inventories on a weighted average cost basis and state them at the lower of cost or net realizable value. We calculate the cost of our inventories on an adjusted standard cost basis, which approximates actual cost. We calculate net realizable value as the estimated selling price of our products less reasonably predictable costs of completion, disposal, and transportation.

We charge cost of sales on our consolidated statements of operations for provisions made to write down our inventory balances when circumstances suggest a write down is necessary – for example, when the cost basis of the inventory exceeds its net realizable value, when quantities exceed expected demand, or when inventories are otherwise deemed obsolete. The valuation of inventory involves assumptions about the likely method of inventory disposition, other-than-temporary decreases in product demand, changes in technology, competition, or customer needs, and future business and macroeconomic conditions, which require use of management judgment. If the future demand for our products is less favorable than our forecasts, the value of the inventories may be required to be reduced, which could result in additional expense to us and affect our results of operations. We do not believe there is a reasonable likelihood that there will be a material change in the future estimates or assumptions that we use to calculate our inventory reserve. However, if estimates regarding customer demand are inaccurate or changes in technology affect demand for certain products in an unforeseen manner, we may be exposed to losses or gains that could be material. If, in any period, we are able to sell inventories that had been written down to a level below the ultimate realized selling price in a previous period, related revenue would be recorded with a lower or no offsetting charge to cost of sales, resulting in a net benefit to our gross margin in that period. See "*Inventory*" in Note 4 to our audited consolidated financial statements included elsewhere in this prospectus for additional information.

Stock-Based Compensation

We measure stock-based awards, including stock options, RSUs, and restricted stock awards ("RSAs"), granted to employees and non-employees based on the estimated fair value as of the grant date. Stock option awards with only service-based vesting conditions are granted to employees and non-employees. The fair value of stock options are estimated using the Black-Scholes option pricing model, which requires the input of highly subjective assumptions, including the fair value of the underlying common stock, the expected term of the stock option, the expected volatility of the price of our common stock, risk-free interest rates, and the expected dividend yield of our common stock. Changes in the assumptions can materially affect the fair value and ultimately how much stock-based compensation expense is recognized. These inputs are subjective and generally require significant analysis and judgment to develop. The fair value of RSUs and RSAs are based on the price of our common stock on the date of grant.

We recognize the fair value of each award with only service-based vesting conditions on a straight-line basis over the requisite service period of the award. For certain equity awards that have both service- and liquidity-based vesting conditions, we recognize the expense over the requisite service period if it is probable that the performance conditions will be achieved. We reassess the achievement of the performance conditions at each reporting date and adjust the stock-based compensation accordingly for such awards. Stock-based compensation expense is based on the value of the portion of stock-based awards that is ultimately expected to vest. As such, our stock-based

compensation is reduced for the estimated forfeitures at the date of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates.

Common Stock Valuations

The fair value of common stock underlying our stock-based awards has historically been determined by our board of directors, with input from management and contemporaneous third-party valuations. We believe that our board of directors has the relevant experience and expertise to determine the fair value of our common stock. Given the absence of a public trading market of our common stock, and in accordance with the American Institute of Certified Public Accountants Practice Aid, *Valuation of Privately-Held Company Equity Securities Issued as Compensation*, our board of directors exercised reasonable judgment and considered numerous objective and subjective factors to determine the best estimate of the fair value of our common stock at each grant date. These factors included:

- the results of contemporaneous valuations performed at periodic intervals by a third-party valuation firm;
- the prices, rights, preferences, and privileges of our redeemable convertible preferred stock relative to those of our common stock;
- the prices of our redeemable convertible preferred stock and common stock sold to investors in arms-length transactions;
- our actual operating and financial performance and estimated trends and prospects for our future performance;
- our stage of development;
- the likelihood of achieving a liquidity event, such as an initial public offering, direct listing, or sale of our company, given prevailing market conditions;
- the lack of marketability involving securities in a private company;
- the market performance of comparable publicly traded companies; and
- U.S. and global capital market conditions.

In valuing our common stock, the fair value of our business was determined using various valuation methods, including combinations of the income approach and the market approach with input from management. The income approach involves applying an appropriate risk-adjusted discount rate to projected cash flows based on forecasted revenue and costs. The market approach estimates value based on a comparison of our company to comparable public companies in a similar line of business. From the comparable companies, a representative market value multiple was determined, which was applied to our operating results to estimate the enterprise value of our company.

Once the enterprise value was determined under the market approach, we derived the equity value of our company and used a hybrid method that considered both an option pricing model ("OPM") and the probability weighted expected return method ("PWERM") to allocate that value among the various classes of securities to arrive at the fair value of our common stock. The OPM is based on the Black-Scholes-Merton option pricing model, which allows for the identification for a range of possible future outcomes, each with an associated probability. The OPM is appropriate to use when the range of possible future outcomes is difficult to predict and thus creates highly speculative forecasts. PWERM involves a forward-looking analysis of the possible future outcomes of an enterprise, including an initial public offering as well as non-initial public offering market-based outcomes. After the equity value is determined and allocated to the various classes of securities, a discount for lack of marketability ("DLOM") is applied to arrive at the fair value of our common stock. A DLOM is applied based on the theory that as an owner

of private company stock, the stockholder has limited opportunities to sell this stock, and any such sale would involve significant transaction costs, thereby reducing overall fair market value.

In addition, we also considered any secondary transactions involving our capital stock. In our evaluation of those transactions, we considered the facts and circumstances of each transaction to determine the extent to which they represented a fair value exchange. Factors considered included transaction volume, timing, whether the transactions occurred among unrelated parties, and whether the transactions involved investors with access to our financial information.

Application of these approaches involves the use of estimates, judgment, and assumptions that are highly complex and subjective, such as those regarding our expected future revenue, expenses, and future cash flows, discount rates, market multiples, the selection of comparable companies, and the probability of possible future events. Changes in any or all of these estimates and assumptions or the relationships between those assumptions impact our valuations as of each valuation date and may have a material impact on the valuation of our common stock.

For valuations after the completion of this offering, our board of directors will determine the fair value of each share of underlying common stock based on the closing price of our common stock as reported on the grant date. Future expense amounts for any particular period could be affected by changes in our assumptions or market conditions.

Income Taxes

We are subject to income taxes in the United States and in foreign jurisdictions. To determine taxable income for financial statement reporting purposes, we make certain estimates and judgments. These estimates and judgments are also applied when calculating certain tax liabilities and assessing the recoverability of deferred tax assets, each of which reflect the expected future tax consequences of events that have been included in the audited consolidated financial statements.

We apply the asset and liability method in accounting for deferred tax balances. Under this method, we determine deferred tax balances on the basis of differences between the financial statement and tax bases of assets and liabilities by using enacted tax rates in effect for the year in which the differences are expected to reverse. We recognize the effect of a change in tax rates on deferred tax balances in income in the period that includes the enactment date.

We recognize deferred tax assets only to the extent we expect they are more likely than not to be realized and consider all available positive and negative evidence in making such a determination, including future reversals of existing taxable temporary differences, projected future taxable income, tax planning strategies, and results of recent operations. If we determine that a deferred tax asset is recorded in an amount that exceeds the amount we ultimately expect to realize, we will make an adjustment in the form of a valuation allowance, which could reduce the provision for income taxes. In determining the need to establish or maintain a valuation allowance, we consider (i) carryback of net operating losses to prior years; (ii) future reversals of existing taxable temporary differences; (iii) viable and prudent tax planning strategies; and (iv) future taxable income exclusive of reversing temporary differences and carryforwards.

We record uncertain tax positions using a two-step process. We first determine whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position. For those tax positions that meet the more-likely-than-not recognition threshold, the largest amount of tax benefit that is more than 50% likely to be realized upon ultimate settlement with the related tax authority is realized.

JOBS Act Accounting Election

We are an emerging growth company, as defined in the JOBS Act, and, for so long as we continue to be an emerging growth company, we may take advantage of certain exemptions from various reporting requirements that

would have been applicable were we a public company that was not an emerging growth company. Such exemptions include, but are not limited to, the exemption to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, the exemption from holding a non-binding advisory vote on executive compensation, and the exemption from stockholder approval of any golden parachute payments not previously approved. In addition, pursuant to Section 107 of the JOBS Act, as an emerging growth company, we have elected to take advantage of the extended transition period for complying with new or revised accounting standards until those standards would otherwise apply to private companies. If we cease to be an emerging growth company, we will no longer be able to take advantage of these exemptions or the extended transition period for complying with new or revised accounting standards.

Recent Accounting Pronouncements

See Note 3 to our audited consolidated financial statements included elsewhere in this prospectus for additional information.

BUSINESS

Our Mission

We believe AI is the most transformative technology of our generation. Our mission is to accelerate AI by making it faster, easier to use, and more energy efficient, making AI accessible around the world.

Company Overview

Cerebras is an AI company. We design processors for AI training and inference. We build AI systems to power, cool, and feed the processors data. We develop software to link these systems together into industry-leading supercomputers that are simple to use, even for the most complicated AI work, using familiar ML frameworks like PyTorch. Customers use our supercomputers to train industry-leading models. We use these supercomputers to run inference at speeds unobtainable on alternative commercial technologies. We deliver these AI capabilities to our customers on premise and via the cloud.

AI compute is comprised of training and inference. For training, many of our customers have achieved over 10 times faster training time-to-solution compared to leading 8-way GPU systems of the same generation and have produced their own state-of-the-art models. For inference, we deliver over 10 times faster output generation speeds than GPU-based solutions from top CSPs, as benchmarked on leading open-source models. This enables real-time interactivity for AI applications and the development of smarter, more capable AI agents. The Cerebras solution requires less infrastructure, is simpler to use, and consumes less power than leading GPU architectures. It enables faster development and eliminates the complex distributed compute work required when using thousands of GPUs. Cerebras democratizes AI, enabling organizations that have less in-house AI or distributed computing expertise to leverage the full potential of AI.

The rise of AI presents a unique set of compute challenges. Unlike other computational workloads, both training and inference require a huge number of relatively simple calculations, the results of which necessitate constant movement to and from memory, and to and from millions or tens of millions of compute cores. This traditionally demands hundreds or thousands of chips, and puts tremendous pressure on memory, memory bandwidth, and the communication fabric linking them all together.

Cerebras started with a simple question: How can we design a processor, purpose-built to meet these exact challenges? If we were to start with a clean sheet, how would we avoid carrying forward the tradeoffs made for graphics and other workloads, and ensure that every transistor is optimized for the specific challenges presented by AI?

Our answer is wafer-scale integration. Cerebras solved a problem that was open for the entire 75-year history of the computer industry: building chips the size of full silicon wafers. The third-generation Cerebras Wafer-Scale Engine (the “WSE-3”) is the largest chip ever sold. It is 57 times larger than the leading commercially available GPU. It has 52 times more compute cores, 880 times more on-chip memory (44 gigabytes), and 7,000 times more memory bandwidth (21 petabytes per second). The sheer size of the wafer-scale chip allows us to keep more work on-silicon and minimize the time-consuming, power-hungry movement of data. This enables Cerebras customers to solve problems in less time and using less power. Our AI compute platform combines processors, systems, software, and AI expert services, to deliver massive acceleration on even the largest, most capable AI models. It substantially reduces training times and inference latencies, while reducing programming complexity.

Our business model is designed to meet the needs of our customers. Organizations seeking control over their data and AI compute infrastructure can purchase Cerebras AI supercomputers for on-premise deployment. Those that want the flexibility of a cloud-based platform can purchase Cerebras high-performance AI compute via a consumption-based model through the Cerebras Cloud, or via our partner’s cloud. We offer customers the flexibility to choose the solution that best aligns with their budgetary, security, and scalability requirements, and some customers choose to use both options simultaneously.

We have established a growing set of customer engagements spanning CSPs, leading enterprises, Sovereign AI programs, national laboratories, research institutions, and other innovators at the forefront of AI. While a substantial portion of our current business is supported by one primary customer, we are actively seeking to expand our reach and diversify our customer base. We collaborate with our customers to harness the power of AI to tackle their most significant challenges and drive breakthroughs across industries.

Bloomberg Intelligence estimates that the AI market will grow to $1.3 trillion by 2032. Consumer and enterprise models like Google's Gemini, Meta's Llama, and OpenAI's ChatGPT have driven demand for AI infrastructure training and inference solutions, powering AI applications such as specialized assistants, agents, and services. We believe that our AI compute platform addresses a large and growing AI hardware and software opportunity across training and inference, as well as software and expert services. We believe that further adoption of AI, accelerated by the advent of GenAI, and the widespread integration of AI into business processes, will rapidly expand our total addressable market ("TAM") from an estimated $131 billion in 2024 to $453 billion by 2027, a compounded annual growth rate ("CAGR") of 51%.

We have experienced rapid growth, with revenue of $78.7 million and $24.6 million for the years ended December 31, 2023 and 2022, respectively, representing year-over-year growth of 220%. During the six months ended June 30, 2024 and 2023, we generated $136.4 million and $8.7 million in revenue, respectively. Since our inception, we have incurred operating losses and negative cash flows to develop, market, and expand our product portfolio and to continue our research and development activities. Our net loss for the years ended December 31, 2023 and 2022 was $127.2 million and $177.7 million, respectively, representing a year-over-year reduction of 28%. Our net loss for the six months ended June 30, 2024 and 2023 was $66.6 million and $77.8 million, respectively, representing a year-over-year reduction of 14%.

Industry Background

Over the past 40 years, the computer industry has followed a clear pattern: as major new computational workloads with distinct characteristics emerged, so too have new compute architectures. For example, the general-purpose needs of personal computing led to the x86 CPU. The low-energy needs of mobile devices resulted in the widespread adoption of ARM. Advancements in graphics demanded greater rendering parallelism, resulting in the creation of the GPU. With each new compute paradigm, technologists first attempted to adapt existing compute architectures to these workloads. But in each case, a new purpose-built architecture was ultimately needed to unlock the potential of the new paradigm.

We believe this pattern is continuing with the rise of AI – the next major compute workload, with its own unique computational demands. In 2023, IDC estimated that the worldwide economic impact of GenAI would be close to $10 trillion by the end of 2033. This growth has been accelerated by the emergence of GenAI, a new class of powerful AI models that can create *new* content and reason across broad domains and multiple data types. These breakthrough capabilities translate to tremendous potential value creation and have driven rapid GenAI adoption. For example, ChatGPT took only five days to reach one million users (a feat that took Instagram 10 weeks and Twitter two years), and similarly, Meta's open-source Llama 2 model attracted hundreds of thousands of AI developers within days of its release.

The Computational Demands of Training and Inference

The explosion of GenAI in the past 18 months has been likened to the "iPhone" moment, marking a pivotal shift in the industry. GenAI is already consuming compute resources at an unprecedented rate, faster than any other workload in history. As more powerful models are created and new use cases for GenAI are brought to market, we believe that demand for powerful and efficient AI compute solutions will continue to grow rapidly. The recent growth in the U.S. data center market supports this belief. Over the course of 2023, demand for U.S. third-party data centers has grown by nearly 50%, with AI driving significant growth. Major companies like Microsoft, Google, and Amazon are driving 500+ MW deals, whereas in 2015, data center deals were commonly in the 5 MW range.

Both training and inference demand immense compute, each with unique compute, memory, and memory bandwidth requirements. They represent two stages in the continuous lifecycle of AI models. Once trained, a model is "served" in production and used for inference. As part of this cycle, models in production are continuously being optimized to use fewer compute resources, and while that is happening, new and more powerful models are being trained, leading to the eventual obsolescence of the previous model—starting the cycle over.



Model Optimization Is Important, but As You Optimize, Models Continue to Evolve

For training, the compute required is a function of a model's size (number of parameters) and the amount of data used (number of tokens). The most capable GenAI models today have trillions of parameters and are trained on trillions of tokens. These models demonstrate superior accuracy and capabilities compared to small models due to their greater capacity to discern nuanced patterns from the data. As the industry has pushed to achieve greater AI capabilities, the size of GenAI models has grown, and we expect this trend to continue.

The increase in model and data sizes has led to a dramatic surge in computational demand. As shown below, requirements to train GenAI models have grown 40,000-fold in just five years. Today, training for GenAI requires enormous GPU clusters, sophisticated engineering teams, and months of time for a single run. A training run can cost over a hundred million dollars, and improving the model and keeping it fresh with new data requires additional fine-tuning and regular re-training.

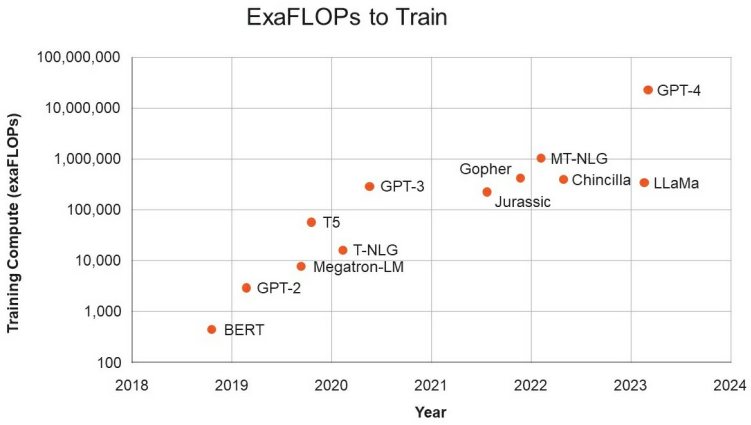


Illustration of Growing Compute Requirements Over Time (ExaFLOPS to Train LLMs)

For inference, the required compute is a function of both model size and user demand. Each user request increases compute needs, creating high and ongoing operational costs. As of June 2024, we estimate that 40% of the AI data center market is attributable to inference, and we expect this to grow as more AI applications and products are brought to market.

Additionally, the larger the model, the slower it runs during inference, creating a direct tradeoff between model capability and user experience. As inference speeds improve, larger GenAI models can be deployed in a responsive manner, expanding their use in real-time applications and agent-based systems. Faster inference can enable multiple inference requests to be made to the same or different GenAI models, with each request building upon the results of the previous request, all within the time it previously took to execute a single inference request. This enables vastly more capable and sophisticated applications, opening even larger market opportunities.

Existing Compute Architectures Are Fundamentally Limited for GenAI Training and Inference

GPUs, though better than CPUs for AI workloads, face fundamental limitations when processing the unique characteristics of large GenAI models. In graphics, the calculation for each pixel is often independent of every other pixel. This means that for large graphics workloads, many GPUs can easily execute on separate parts of the rendering problem, without a need for high levels of interdependent communication.

The AI workload is different. GenAI models are complex, interconnected compute graphs that require the constant communication of intermediate calculations to train. This requires a high amount of data movement to and from memory and across cores. Similarly, during inference, these models generate outputs sequentially – each dependent on the previous output – requiring the full model to be constantly moved in and out of memory to produce successive outputs, and again requiring massive data movement between cores and memory. GPUs face inherent scalability and complexity challenges when faced with the distinct, communication-heavy requirements of GenAI workloads.

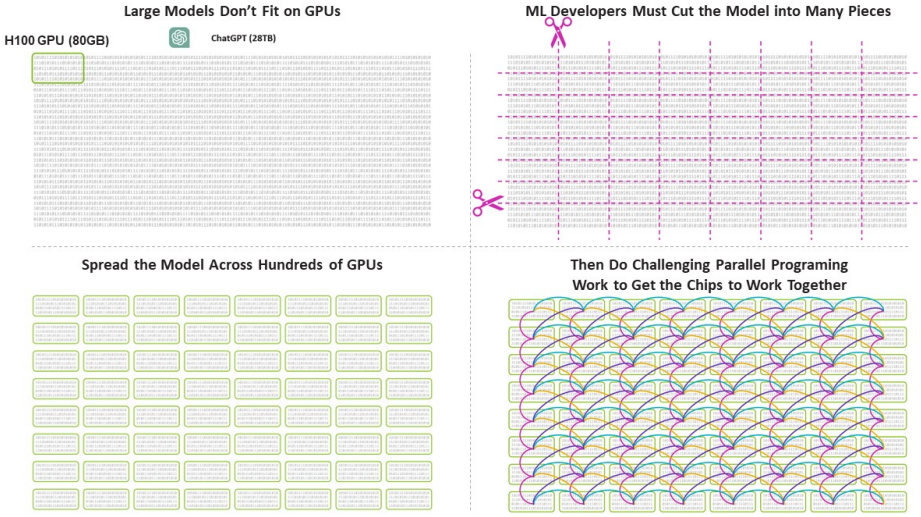
For Training – Individual GPUs Are Too Small, and Scaling to Many GPUs is Highly Inefficient

Large GenAI models far exceed the memory and processing limits of a single GPU. For example, to train GPT-3, which OpenAI has said required ~3.14 x 10^23 floating point operations, it would take a single NVIDIA H100 more than eight years of running at peak theoretical performance to train the model. Recent models like GPT-4 and Gemini are over 10 times larger in parameter size than GPT-3. Consequently, training a large GenAI model on GPUs in a tractable amount of time requires breaking up the model and calculations, and distributing the pieces across hundreds or thousands of GPUs. These hundreds or thousands of GPUs then need to constantly

communicate with each other across a network, creating extreme communication bottlenecks and power inefficiencies.

This distributed compute problem also creates a high level of complexity for developers, who are responsible for partitioning and coordinating the compute, memory, and communication across GPUs, so that they can work together in a complex choreography. This is an ongoing cost and slows down time-to-solution, as the delicate balance of bottlenecks needs to be reconfigured every time the ML developer wants to change the model architecture, model size, or run on a different number of GPUs.

For many organizations, distributed programming is one of the highest barriers to entry for leveraging GenAI.



Large GenAI Models Must Be Divided and Coordinated Across Thousands of GPUs, Leading to Communication Bottlenecks and Developer Complexity

For Inference – GPU Efficiency is Low and Limited by Memory Bandwidth

During generative inference, the full model must be run for each word that is generated. Since large models exceed on-chip GPU memory, this requires frequent data movement to and from off-chip memory. GPUs have relatively low memory bandwidth, meaning that the rate at which they can move information from off-chip HBM to on-chip SRAM, where the computation is done, is severely limited. This leads to low performance as GPUs cores are idle while waiting for data – they can run at less than 5% utilization on interactive generative inference tasks. Low utilization and limited memory bandwidth impact the responsiveness and throughput of GPU-based systems and hinders real-time applications for larger models. This can limit the capability and adoption of emerging inference applications which are especially latency-sensitive, such as code generation and multi-turn AI agents that need to string together multiple calls to different GenAI models. This inefficiency also necessitates larger GPU deployments and dramatically drives up the cost of inference.

GPU companies have tried to address these challenges, but the issues of small core count, memory size, and memory bandwidth are fundamental hardware limitations that persist. Interconnect technologies like InfiniBand, PCIe, and NVLink are limited by their physical interfaces, and moving data across them is thousands of times slower and more power-hungry than keeping and moving the data on silicon. Software libraries intended to simplify

distributed computing still require developers to manage complex parallelism strategies and extensive codebases. Realizing the physical challenges of repurposing small chips for a large compute problem, the GPU industry has recently announced new multi-chip packaging techniques, but these also yield only minimal expansions of GPU chip size.

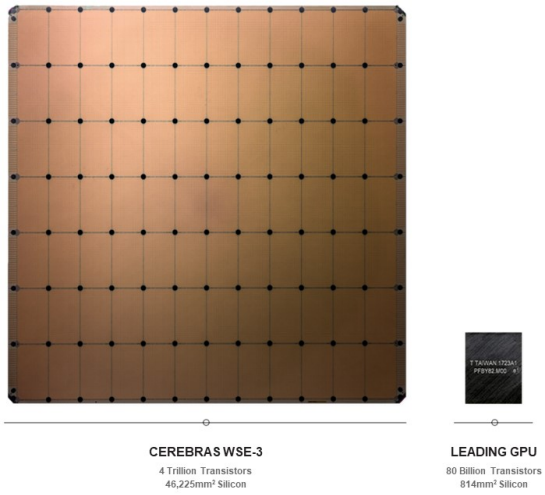
Accelerating GenAI requires a dedicated compute solution, designed for the unique requirements of GenAI, that can deliver faster training times, real-time inference speeds, and simple developer workflows, at reasonable cost.

Our Solution

We believe Cerebras has built the world's fastest commercially available AI training and inference solution. Our dedicated AI hardware and software platform is powered by the Cerebras Wafer-Scale Engine – a processor the size of an entire silicon wafer that brings more on-chip compute, memory, and bandwidth resources together than any other commercially available processor in the semiconductor industry. A single WSE replaces a cluster of GPUs, reducing the time-consuming, power-hungry movement of data, removing the need for complex distributed programming, and providing exceptional compute speed. Compared to the leading 8-way GPU system of the same generation, many of our customers have achieved over 10 times faster training time-to-solution. Our inference offering is over 10 times faster than GPU-based solutions from top CSPs, as benchmarked on leading open-source models. A single CS-3 system delivers three times more compute per watt than the leading 8-way GPU system.

Our solution consists of the following elements:

Cerebras Wafer-Scale Engine (WSE). At the heart of our solution is the Cerebras Wafer-Scale Engine, the largest chip ever sold. Our third generation WSE, the WSE-3, is 57 times larger than the leading commercially available GPU (NVIDIA H100) and has 52 times more compute cores, totaling 900,000. It features 880 times more on-chip memory (44 gigabytes SRAM) and 7,000 times more memory bandwidth (21 petabytes per second) than the leading commercially available GPU. Developing the WSE required overcoming decades-long-standing industry challenges, including inter-die connectivity, yield optimization, efficient packaging, power management, and advanced cooling.



Cerebras Wafer-Scale Engine 3 Versus NVIDIA H100 Size Comparison

	Cerebras WSE-3	NVIDIA H100	Cerebras Advantage
Chip Size	46,225mm^2	814mm^2	57x
Cores	900,000	16,896 FP32 + 528 Tensor	52x
On-Chip Memory	44 Gigabytes	0.05 Gigabytes	880x
Memory Bandwidth	21 Petabytes / second	0.003 Petabytes / second	7,000x
Fabric Bandwidth	214 Petabits / second	0.0576 Petabits / second	3,715x

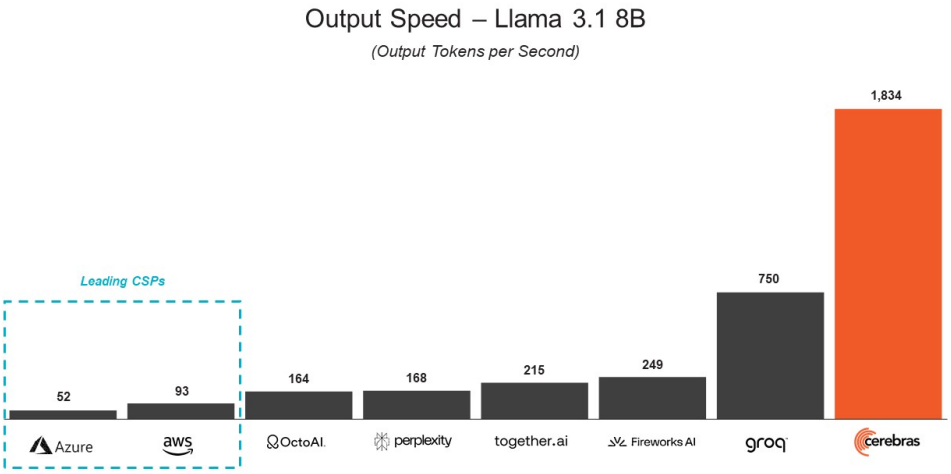
Cerebras Wafer-Scale Engine 3 Versus NVIDIA H100 Capability Advantage

The immense scale of the WSE delivers significant acceleration, efficiency, and simplicity for AI training and inference.

For Training. Each Cerebras WSE has enough compute and on-chip memory to run even the largest, multi-trillion parameter GenAI models on a single chip, thus avoiding the complexities of chip-to-chip data movement. This is unlike GPUs, which require users to fragment large models across multiple processors and deal with complex inter-GPU communication.

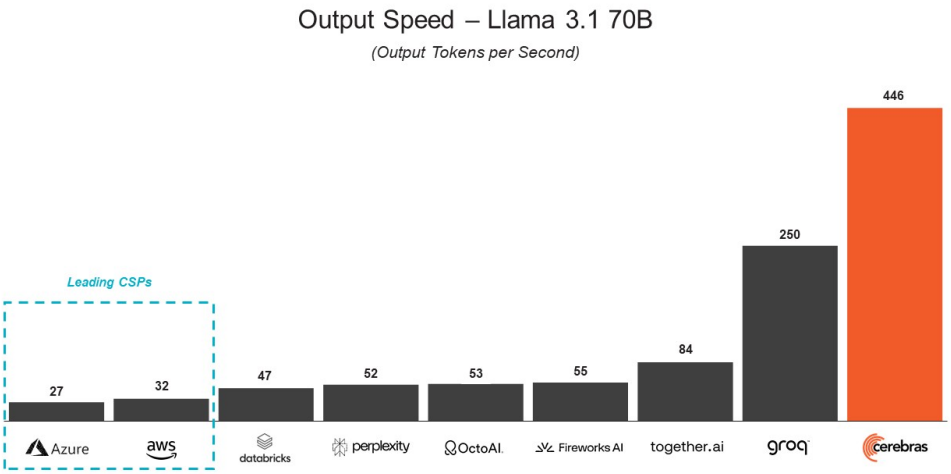
To further speed up training time-to-solution, Cerebras users can simply add more WSEs to the problem. Since each WSE can fit the whole model, multiple WSEs can accelerate model training simply by having each chip independently work on a subset of the training data. Because the model is never split across the WSEs, no complex model distribution or carefully orchestrated communication is needed. The elegance of this architecture is designed to allow users to effortlessly increase training speeds with near-linear performance scaling as more WSEs are added.

For Inference. Wafer-scale integration keeps all critical data on-chip and close to compute cores, resulting in 7,000 times more memory bandwidth than the leading GPU solution. This allows the WSE-3 to deliver over 10 times lower latency for real-time GenAI inference, which means an inference response that takes 10 seconds to generate on GPU-based platforms from top CSPs takes only one second to complete using the Cerebras solution. The WSE-3 can accomplish this speedup at vastly lower power consumption, as retrieving one bit of data from on-chip SRAM on 5nm silicon requires only 1% the energy that is needed to do the same from off-chip HBM.



Source: Cerebras data from internal measurements on August 28, 2024. Other company data from Artificial Analysis benchmarking published on August 28, 2024.

Cerebras Inference Is the Fastest Inference Solution on Llama 3.1 8B



Source: Cerebras data from internal measurements on August 28, 2024. Other company data from Artificial Analysis benchmarking published on August 28, 2024.

Cerebras Inference Is the Fastest Inference Solution on Llama 3.1 70B

Cerebras System (CS). The CS AI computer system houses the WSE and delivers innovative power and cooling to the chip. Our third generation CS ("CS-3") delivers three times more compute per unit power than the leading 8-way GPU system (NVIDIA DGX H100). This compact AI powerhouse is designed to easily integrate into standard

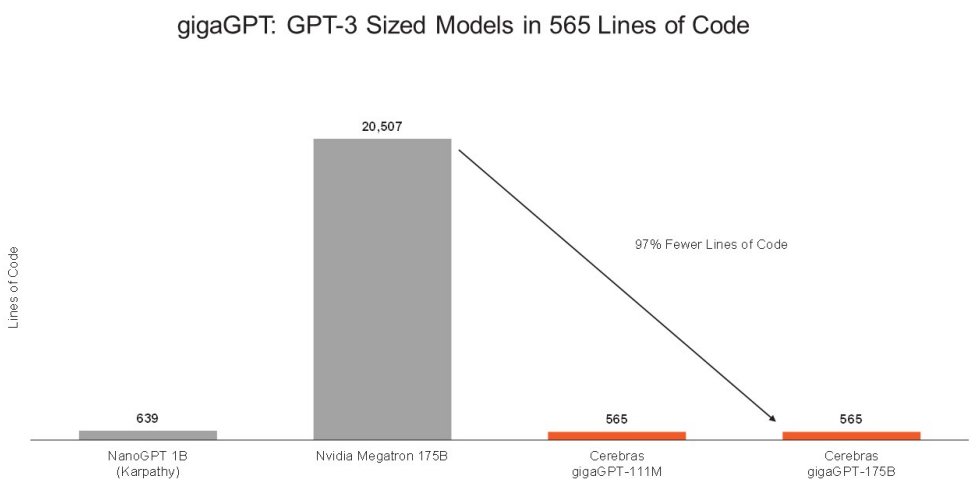
data centers – it occupies less than half a standard rack (16RU/27 inches tall), and connects into the network via standards-based 100G Ethernet.



The CS-3 System, with Innovative Power and Cooling, is Designed to Fit in a Standard Data Center Rack

Cerebras AI Supercomputer. The Cerebras AI Supercomputer is designed to streamline scaling up to 2,048 CS-3 systems for maximum AI acceleration, with more efficiency and simplicity than scaling up to large GPU clusters. Unlike with GPUs, where users must break up and distribute their model across many chips, thereby introducing the need to communicate across those compute elements, each WSE can run the model in its entirety. In turn, a Cerebras AI Supercomputer only needs to spin up another copy of the full model on each additional CS system to process the training dataset more quickly. This enables a near-linear performance increase as CS systems are added to a problem, takes only seconds to configure, and does not incur the overhead or complexity of heavy inter-chip, inter-system communication.

Our scalable execution model is designed to simplify the development workflow for large GenAI training. We designed our AI Supercomputer to enable users to elastically scale workload computing resources up to 256 exaFLOPS (2,048 CS-3 systems) just by changing a single number in their code, allowing users to program as if for a single powerful device. Training a GPT-3 sized model on Cerebras, for example, uses 97% fewer lines of code compared to on clusters of GPUs, greatly accelerating the speed of AI model developments for larger-scale models. The combined power and scaling simplicity of the Cerebras AI Supercomputer provides industry-leading training and inference speeds for even the largest and most complex GenAI models, while obviating the need to invest thousands of programmer hours into distributed programming work.



Zero-Complexity Scaling on Cerebras Versus GPUs: Training a GPT-3 Sized Model With Cerebras Requires 97% Fewer Lines of Code Compared to on Clusters of GPUs



A Cerebras Supercomputer Deployment at One of Our Colocation Facilities

Cerebras Software Platform (CSoft). Our proprietary software platform, CSoft, is core to our solution and provides intuitive usability and improved developer productivity.

CSoft seamlessly integrates with industry-standard ML frameworks like PyTorch and with popular software development tools, allowing developers to easily migrate to the Cerebras platform. CSoft automatically saves model outputs in a standard "checkpoint" format, enabling users to resume training or inference on model work started on other hardware platforms. This checkpoint compatibility extends to open-source models available in the popular HuggingFace repository.

CSoft eliminates the need for low-level programming in CUDA, or other hardware-specific languages. Starting from a user's PyTorch model, the CSoft graph compiler automatically maps model operations to the WSE, creating an optimized executable without user-level intervention.

CSoft is co-designed with the wafer-scale hardware architecture to provide programming efficiency and simplicity. It allows ML users to accelerate training and inference on models of any size, scaled across any configuration of the Cerebras AI Supercomputer, just by changing one number in a configuration file, simulating a single-device programming experience without the complexities of distributed programming. This drastically reduces operational overhead and speeds up developer iteration time and business impact.

Cerebras Inference Serving Stack. The Cerebras Inference Stack is built on top of CSoft and is designed to allow customers to easily deploy even the largest GenAI models at industry-leading inference speeds. With the Cerebras Inference API, developers are able to easily point their applications to popular or custom models, just by changing their API key. This simple API, which closely matches the interface design of the popular OpenAI API, is designed to facilitate rapid developer adoption and ease of use. We believe there will be stickiness to the Cerebras platform as customers experience industry-leading inference performance for their interactive applications. Our serving software automatically handles system-level optimizations for our inference solution and is designed to enable low latency and high cost effectiveness.

AI Model Services. Our AI model services further amplify speed to solution. Our team of AI practitioners helps customers design research experiments, train models, and optimize processes designed to achieve the fastest time-to-solution. These services complement our advanced hardware and software platform, providing an end-to-end solution for rapid and efficient AI development and deployment. We believe we are one of a select number of companies in the world that has trained high-quality, large GenAI models on massively parallel compute clusters. We have contributed state-of-the-art models into the open-source community and have published widely on AI methodology and practice. Our team's work spans across model architectures, parameter sizes, and data types – including text, time series data, code, biological and other sequence data, electronic healthcare records, medical imagery, radio frequency, and radar data. Cerebras AI researchers have trained LLMs in English, Arabic, Spanish, Japanese, and Catalan.

We excel at helping customers translate AI potential to business impact. Our AI experts guide customers in developing custom AI strategies, designing and building AI models, and applying cutting edge AI techniques to achieve high-quality results, thereby delivering downstream business impact. We augment our customers' existing teams with specialized AI capabilities, and the models we build together routinely beat the existing state of the art, providing customers with a distinct competitive advantage.

Summary of key customer benefits include:

Enables over 10 times faster training time-to-solution compared to leading 8-way GPU systems of the same generation, as reported by many of our customers. This dramatically accelerates AI model time-to-solution, enabling businesses to test ideas faster, iterate more quickly, and bring next-generation GenAI-powered products and services to market, faster and more cost effectively.

Delivers over 10 times faster GenAI inference compared to GPU-based solutions from top CSPs, as benchmarked on leading open-source models. Because the WSE is designed with massive on-chip SRAM capacity,

the vast majority of memory-to-compute communication remains on-silicon, thereby avoiding the memory bandwidth bottlenecks that all GPU-based solutions face. Our resulting ultra-low latency inference delivers industry-leading inference speeds and real-time responses back to users on large, cutting-edge GenAI models. This ultra-low latency enables developers to make over 10 times more inference calls compared to top CSPs in the same amount of time. This capability supports a new class of more capable applications that leverage techniques like multi-step inference (multiple inference calls that build upon each other to deliver more sophisticated outcomes) and self-checking mechanisms, delivering not just speed but also superior results.

End-to-end solution. Cerebras offers a unified platform purpose-built to accelerate fundamental compute characteristics of both AI training and inference. While many other emerging AI chips companies have chosen to specialize in only one phase to allow for optimization tradeoffs across the axes of compute, memory, memory bandwidth, and simplicity of use, Cerebras excels across these key dimensions, made possible by wafer-scale integration. This allows customers to swiftly transition from training to fine-tuning to deploying high-quality GenAI models on the same platform, eliminating the need for investing in and maintaining separate hardware infrastructure.

Zero distribution complexity. The biggest challenge in training on GPU clusters is the complexity of distributed programming across multiple devices and systems. This often requires large engineering teams weeks or months of optimization, and results in limited performance scaling. Using Cerebras, users can effortlessly run a GenAI model of any size. It takes no additional code to achieve automatic near-linear performance scaling across the nodes of a Cerebras Supercomputer, unlike the 20,000+ lines of distributed programming code required to scale large models across similar memory and compute resources on large GPU clusters.

Low migration cost. Our proprietary CSoft platform integrates seamlessly with familiar ML frameworks and tools, like PyTorch, eliminating the need for AI teams to learn new languages or adapt to new development environments and easing the transition from other hardware platforms.

Power and operational efficiency. Cerebras outperforms GPU systems in power efficiency due to both hardware and architectural advantages. Wafer-scale integration allows the majority of AI workload communication to remain on-chip, significantly reducing data movement distance and power consumption; moving a bit of data on the WSE-3 takes less than 1% of the energy needed to do the same over off-chip GPU interconnects. This drives significant operational cost savings (CS-3 draws one-third of the power of the leading 8-way GPU system) and streamlined management for organizations deploying AI at scale.

Expert-led model training and AI integration services. We offer expert-led foundation model training, fine-tuning, and retrieval-augmented generation services to customers. Our team provides guidance on cutting-edge AI methods that work on top of our hardware, assisting customers to derive the maximum value from their AI investment.

Examples of Customer and Industry Impact

We have an expanding customer base that includes leading enterprises, Sovereign AI initiatives, cloud service providers, government agencies, and research institutions at the forefront of AI and at the intersection of AI and HPC. These customers leverage Cerebras to tackle complex AI challenges and achieve previously unattainable business outcomes, even with the most advanced GPU systems.

Our customers find fundamental value in the simplicity of the Cerebras solution. It unlocks breakthrough business and scientific use cases by removing limitations in development time, programming complexity, and runtime speed. For example, a leading pharmaceutical company trained an epigenomic language model using Cerebras and noted that the training speedup afforded by the Cerebras system enabled them to explore architecture variations, tokenization schemes and hyperparameter settings in a way that would have been prohibitively time and resource intensive on a typical GPU cluster.

As we continue to expand our go-to-market capabilities and more customers recognize the benefits of our solution we expect our pipeline to grow. The tangible benefits of our products are evident in the strong gains in performance and time-to-value experienced by our customers across various industries:

A global AI technology group (G42) reduced AI model convergence time for a 13 billion parameter Arabic language model from 68 days on a GPU cluster to just four days using Cerebras, improving training time by 17 times while also achieving higher model quality. They furthered this work by subsequently training a state-of-the-art bilingual Arabic-English 30 billion parameter model on 1.6 trillion tokens, now being served on the Microsoft Azure AI Model Catalog.

A leading pharmaceutical company reduced training time on an epigenomic language model from 24 days to just 2.5 days using Cerebras, achieving a 90% reduction in time-to-solution. This resulted in a new model that was the first of its kind to combine both DNA data and epigenetic state data of chromosomes for 127 different cell types. This model exceeded the state-of-the-art on multiple benchmarks and is being used by the customer to facilitate further study of gene regulation and function.

A major U.S. healthcare provider leveraged Cerebras AI services and compute to develop and train an industry-leading medical model in eight weeks, beating open-source medical model benchmarks, and upskilling their in-house AI team through partnership with our AI expertise.

A U.S. national lab trained a genome-scale foundation model, predicting the evolution of emergent variants of SARS-CoV-2 virus, 19 times more quickly on a single Cerebras system compared to the leading 8-GPU system of the time (152 times faster than a single GPU).

The same national lab trained an AI model using Cerebras that could not converge on any number of GPUs. This model won the 2022 Gordon Bell Special Prize for High Performance Computing-Based COVID-19 Research.

Another U.S. national lab showed 179 times faster performance on a molecular dynamics simulation using a single Cerebras system, compared to the entirety of Oak Ridge National Laboratory's Frontier, the largest supercomputer in the world, with more than 37,000 GPUs and reportedly costing approximately $600 million to build.

A U.S. government agency is leveraging our real-time inference capabilities to create the world's first, large-scale, virtual radio frequency simulation environment for developing, training, and testing advanced radio frequency systems.

Our Business Model

We use a combination of direct sales and partnerships to address the rapidly expanding AI market. We offer both on-premise solutions and cloud-based solutions to provide maximum flexibility to our customers. We offer a collection of services from data center deployment to AI expert services and AI Supercomputer operation and management, to provide our customers with the support they need to train, deploy, and accelerate GenAI time-to-value.

On Premise. Our direct-to-customer sales force sells our AI Supercomputers to leading organizations who seek maximum control over their data and their AI infrastructure, fulfilling their needs for high-performance AI compute on premise. For on-premise use, we offer deployment services, as well as a subscription to an ongoing stream of software updates and upgrades. Our on-premise AI Supercomputers support both training and inference. They can be configured either for both workloads, or to be further optimized for only one, depending on our customers' needs.

Cloud-Based Computing Services. We sell Cerebras solutions via our cloud offering as well as via the Condor Galaxy Cloud owned by Group 42 Holding Ltd (together with its affiliates, "G42"), our partner CSP. Our cloud solutions provide customers fast and flexible access to our powerful AI acceleration hardware, with payment based on time or work (number of models). This offering gives our customers the ability to train LLMs with extraordinary

speed and deploy them for inference at ultra-low latencies, all without the complexity or time needed to build and manage on-premise infrastructure.

Cerebras Inference Cloud. Our real-time inference solution is also available via a dedicated inference cloud service. Leveraging our Cerebras Inference Serving Stack, this cloud API offering allows developers to directly point their applications towards efficient and reliable model serving endpoints. On Cerebras Inference Cloud, we host both popular open-source models and proprietary customer models. For customers who do not need direct compute access and are not interested in managing their own inference serving software stack, our inference cloud offering is the quickest and simplest way to leverage our fast model inference services.

We provide a combination of these offerings to customers who may benefit from leveraging both on-premise and cloud-based options—for example, enabling them to quickly use the cloud for their largest training jobs, while enjoying the cost efficiencies of on-premise infrastructure for their baseline AI work. This flexibility allows customers to choose the solution that best aligns with their budgetary, security, and scalability requirements.

Additionally, customers can train models on-premise and then leverage our inference cloud for production, benefiting from flexible serving resources that can adapt to fluctuating demand. This end-to-end solution allows seamless integration from training to production, serving the entire lifecycle of a customer's AI needs.

We also provide professional services to assist customers throughout the AI workflow. From developing strategy, designing and building models, to deploying and maintaining the final models either on-premise or in the cloud, we help customers achieve optimal outcomes.

Our Market Opportunity

We participate in a large and growing AI market. Enterprises, research organizations, and governments alike are developing AI initiatives to rapidly evolve and drive efficiencies across their entities. As estimated by McKinsey in 2023, GenAI use cases may add up to $4.4 trillion to the global economy on an annual basis. Our full suite of AI computing solutions addresses use cases for training, inference, software, and expert services. We estimate the TAM for our AI computing platform to be approximately $131 billion in 2024, growing to $453 billion in 2027, a 51% CAGR.

This TAM is comprised of the following core markets:

AI Compute for Training. Demand for GenAI solutions has grown significantly across virtually all use cases. In a recent Gartner, Inc. poll of more than 1,400 executive leaders, 45% reported that they are in piloting mode with GenAI, and another 10% have put GenAI solutions into production (Source: Gartner®). Significant capital is being dedicated to evaluating GenAI solutions and the impact they could have on everything from productivity, efficiency, to customer support. As businesses continue to evaluate and deploy solutions, we believe the market for training new models will continue to grow. Based on market estimates in Bloomberg Intelligence research, our estimate of the TAM for AI Training Infrastructure is $72 billion in 2024, growing to $192 billion in 2027, a 39% CAGR. This segment of the market includes AI Infrastructure-as-a-Service.

AI Compute for Inference. While GenAI training is essential to developing models that are powerful and accurate, we believe inference is the next phase of the ongoing wave of AI disruption. As more enterprises develop models and start to deploy their models in applications at scale, the need for high performance and efficient inference is becoming critical to fully realize the commercial potential of ML. The demand for inference compute is driven by the number of users and frequency that inference is used. We believe that the inference opportunity is enormous, as the market is in the early phases in its adoption cycle. Our estimate of the TAM for AI Inference is $43 billion in 2024, growing at an estimated 63% CAGR to $186 billion in 2027.

Software and Expert Services. Based on market estimates in Bloomberg Intelligence research, our estimate of the TAM for GenAI Software and Services is $16 billion in 2024, growing to $75 billion in 2027, a 67% CAGR.

We believe we are at the very early stages of a large and fast-growing market opportunity. As adoption of AI continues to accelerate, we expect numerous new applications will be identified, and we believe our solutions are well-positioned to capitalize on the wave of disruption that will come in the coming years.

Customers and Ecosystem

Our customers include leading enterprises, Sovereign AI initiatives, cloud service providers, government agencies, and research institutions at the forefront of AI and at the intersection of AI and HPC. The majority of our revenue for 2023 is from the sale and deployment of our AI systems, but we expect significant traction in onboarding new customers onto our cloud offering. The scalability and flexibility of our solutions enables customers to leverage both hardware and cloud solutions concurrently, allowing them to adapt their approach as their needs grow. Our customers also leverage our AI model services to achieve state-of-the-art AI results. We sell our products directly to our customers and in some cases we rely on fulfillment partners for deployment and logistical purposes.

Additionally, we share our innovations and research on open-source platforms like HuggingFace, where our published models and datasets have garnered significant traction. An example is our open-source BTLM Model, which was downloaded over one million times. This broad engagement keeps us at the cutting edge of AI technology and fosters a collaborative relationship with the ML community.

Competitive Strengths

We engineer our purpose-built AI systems to be faster and more capable than any other solution available in the market today. We believe our design is capable of meeting today's needs and is scalable to address tomorrow's challenges. Our competitive strengths include:

The world's first and only wafer-scale chip in the market. Achieving wafer-scale success has been a goal of the semiconductor industry for decades, and we are the first company to overcome and solve the fundamental technical challenges required to productize a wafer-scale chip, including inter-die connectivity, yield, packaging, power, and cooling. Our wafer-scale chip architecture combines a massive amount of fast, on-chip memory, directly next to vast compute resources on the same piece of silicon. It is capable of running the largest GenAI models on a single wafer-scale chip instead of tens, hundreds, or thousands of competitor devices. This eliminates the need for distributed computing while running large GenAI models, enabling AI developers to use up to 97% less code when working with large models on our platform compared to on clusters of GPUs and greatly accelerateing the speed of AI model development for larger-scale models. The details of the hardware are completely abstracted away from the AI developer, allowing them to focus on model development and deployment, which they are empowered to do faster than on any other system.

Full system solution that is easy to deploy and efficient to operate. Built with our wafer-scale chip at its core, we design full systems that seamlessly fit into data center racks. Unlike many other players in this industry, we both design the chip and the system around it. By designing the processor and the system together, we are able to address thermal and power delivery challenges by optimizing the full system with our proprietary power delivery and cooling technology. This allows us to keep the system operating efficiently, optimizing the energy consumption and underlying operating costs for our customers.

Comprehensive software suite that leads to ease of adoption and shortens time to deployment. Developed over eight years by our world-class team, the Cerebras Software platform allows for seamless programmability of AI models through our integration with PyTorch, the industry-standard ML framework for AI developers. Our tools allow users to bring models that have been trained on other hardware onto our platform for training or for inference. Likewise, users can train models on our platform and deploy those models for inference elsewhere. This increases ease of adoption and shortens time-to-deployment.

Our AI platform addresses both training and inferencing markets. We are strongly positioned to provide an AI platform that is powerful, efficient and easier to deploy for both training and inferencing workloads. For training, our AI platform enables customers to effortlessly and swiftly use the most advanced GenAI models available on the

market. It allows any single user to effectively develop and refine models with multi-billion-to-trillion parameters, without the need for specialized software frameworks or help from distributed computing experts. For inferencing, given our advantages in memory capacity, our AI platform delivers industry-lowest latencies and high generation throughput. This helps our customers to unlock cutting edge performance for ultra-low-latency use cases leveraging GenAI, such as real-time, interactive user applications and intelligent AI agents that often require processing data across multiple GenAI models and APIs.

Scalable architecture. We have developed our solutions to support models and data sets of large and varying sizes. Our current generation CS-3 is designed to support models with up to 24 trillion parameters, much larger than even today's state-of-the-art GenAI models. Our platform is designed to seamlessly scale from 1 to 2,048 CS-3 systems, forming an AI supercomputer that is even further differentiated by our proprietary interconnect and memory technology. This enables customers to seamlessly increase compute resources from small-scale experiments to large-scale deployments. Our future-ready design enables us to support the most demanding AI applications and are designed to ensure that our customers' investments remain forward-compatible as new advancements in AI emerge. We expect this benefit to be crucial for long-term customer satisfaction and retention.

AI model services help customers translate AI potential to business impact. We provide customers with AI model services to help them develop solutions that are customized to meet their needs and help them realize the full value of their AI investments. These services include model selection, data preparation, training, and solutions integration.

World-class AI talent with a proven track record of innovation and execution. We have assembled a world-class team of industry leaders in integrated circuit design, processor architecture, power delivery, cooling, system engineering and software. Over the last five years, we have introduced three generations of our WSE, each time achieving two times the performance of its predecessor, and bringing new IC, power, and cooling technologies to bear. This track record of innovation and execution demonstrates our singular focus on solving the critical performance challenges of AI compute, and systematically improving our product to achieve more performant AI compute. Our research and development organization was over 80% of our total headcount as of December 31, 2023, with approximately three-quarters of research and development headcount consisting of software engineers.

Growth Strategies

We believe we are positioned for sustained growth in the rapidly expanding market for AI acceleration solutions. We have designed our focused strategies to drive continued success and establish ourselves as a long-term leader:

Increase sales to our existing customers. We have established a strong land-and-expand track record with our existing customer base, which comprises leading enterprises and research institutions looking to harness the potential of AI. We intend to deepen these relationships by expanding our product and service offerings tailored to their evolving needs. Our strategy focuses on demonstrating the value proposition of our solutions through initial engagements, cross-selling complementary products, and identifying new use cases within existing customers. Our deep technical expertise and customer-focused professional services consistently deliver value beyond initial expectations. This success helps drive increased investment from existing clients.

Expand our customer base. We believe a core component of our growth strategy centers on expanding our diverse customer base across industries and applications. We plan to aggressively pursue opportunities in relevant sectors such as healthcare, pharmaceutical, biotechnology, government, financial services, sovereign, and energy, to name a few, where our AI acceleration capabilities can address critical computational bottlenecks. We will seek to drive this expansion by focused sales and marketing initiatives, highlighting the transformative potential of our technology with targeted use cases. We intend to leverage our existing success stories and strategic partnerships to both bolster our credibility within new markets and establish key channels for customer acquisition. For example, we entered into a partnership with a world-leading European AI company to create sovereign and secure AI solutions for governments and enterprises resulting in a first-time buy of over $4 million. Additionally, we will

continue investing in the development of tools and resources that streamline the onboarding experience for new customers to enable seamless adoption of our solution.

Further penetrate into the rapidly growing inference market. We recently launched our inference solution. A large opportunity for our growth is to make our inference solution widely available. The immense amount of memory bandwidth and capacity on our chip allows us to deliver significantly lower generation latency and higher generation throughput over GPUs. By making API-based inferencing available through our cloud offering, we could significantly accelerate our adoption into inferencing use cases. Based on the inference TAM of $43 billion in 2024, growing at an estimated 63% CAGR to $186 billion in 2027, we believe our expansion into inference will be a significant growth driver.

Benefit from opportunities in large adjacent AI and compute-intensive markets. We intend to leverage our differentiated solution to address ever-evolving computing challenges in emerging end markets and applications. We are actively enabling applications in fields like life sciences, materials science, and financial modeling, where our cutting-edge AI computing solutions can unlock new discoveries and solve complex problems. Geographically, our strategy includes deepening our investment in partnerships with large Sovereign AI initiatives and new markets to accelerate AI adoption. For instance, AI's economic value in the Middle East's Gulf Cooperation Council countries is projected to be as much as $150 billion, or approximately 9% of such countries' combined gross domestic product, according to a McKinsey report issued in 2023. We believe our strategic partnership with G42 positions our solutions at the forefront of innovation and expansion in these emerging AI markets.

Accelerate our existing product roadmap as well as develop new products for emerging use cases. We believe continued technological innovation is a cornerstone of our future growth. Our substantial investment in research and development fuels advancements to further differentiate our wafer-scale technology and develop our software to optimize performance, accessibility, and ease of use of our platform. Our close partnerships with leading AI researchers, industry pioneers, and the open-source community grant us early insights into cutting-edge market developments. Moreover, as AI infrastructure requirements scale, we expect emerging use cases to require new products with added functionalities to solve data, networking, and memory bottlenecks. With our continued focus on innovation, we intend to develop and introduce new products and form factors that will enable us to service a larger portion of our market opportunity.

Advance product adoption by proliferating cloud deployment of our AI solutions. We intend to accelerate our growth by expanding access to our revolutionary AI systems through cloud deployment. We expect this strategy to make our unique, high-performance computing capabilities available to a significantly broader customer base. Cloud solutions reduce the upfront capital investment required for customers, enabling more rapid experimentation and wider adoption of our technology. By offering our technology as a cloud service, we can streamline workflows for data scientists and machine learning engineers, allowing them to focus on innovation instead of infrastructure management.

Our Technology

We believe we have built the fastest commercially available AI training and inference solution in the world. Our solution combines our industry-leading wafer-scale engine with a supercomputer system architecture and a co-designed software suite.

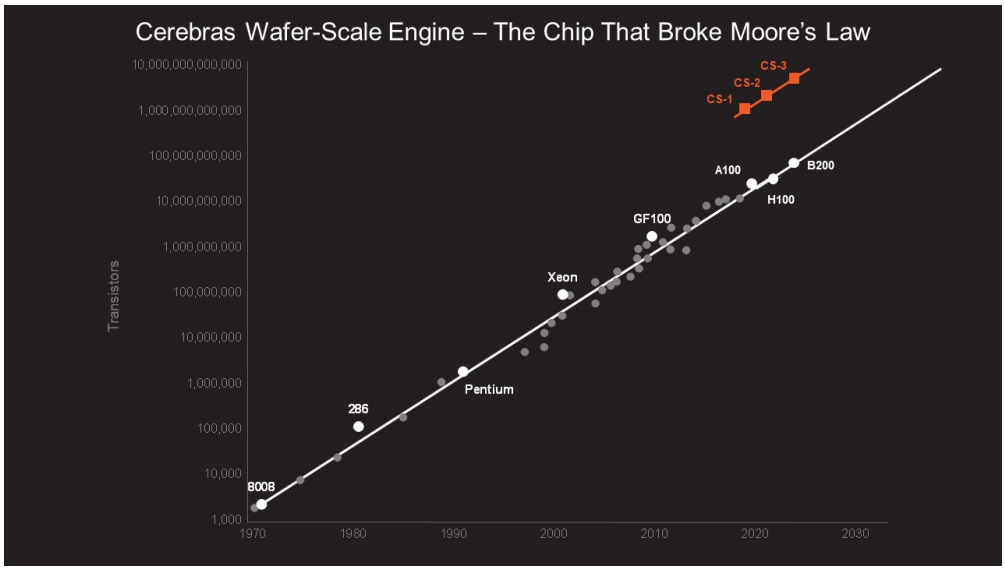
Every component of our platform is specifically designed to meet the computational needs of AI workloads. We combine massive computational resources, fast on-chip memory, and high-bandwidth interconnect to simplify and accelerate AI training and inference. Our product offerings are available through a unified platform that is both easy to use and simple to deploy.

Our platform's exceptional performance is driven by a portfolio of fundamental technological innovations, that resolve challenges in the computing industry that had been open for decades.

WSE-3 – The World's Largest, Most Powerful Commercially Available Chip

Throughout the history of computing, the drive towards larger chip sizes with more integrated components has consistently produced significant performance and efficiency improvements. This has driven the entire semiconductor industry towards Moore's Law, which predicts that the number of transistors in an integrated circuit will double every two years. However, the unprecedented demand for AI computing has underscored the need for improvements that go beyond the traditional cadence of compute advancements.

To meet this demand, we have designed the Cerebras Wafer-Scale Engine – the largest chip ever sold and which has broken Moore's Law. With four trillion transistors, the WSE-3 achieves a milestone that Moore's Law did not predict would occur until 2034. This leap marks a significant advancement in chip design and manufacturing, setting new standards for computational power and efficiency.



"Moore's Law" Over the Past 40 Years. The white line shows the Moore's Law trend of the largest processor chips in the industry. The orange line shows the new trajectory created by the Cerebras wafer-scale technology.

Wafer-scale integration is a unique capability. In the entire history of the computer industry, only Cerebras has delivered a wafer-scale product to market. To achieve wafer-scale integration, we invented and productized key chip design technologies:

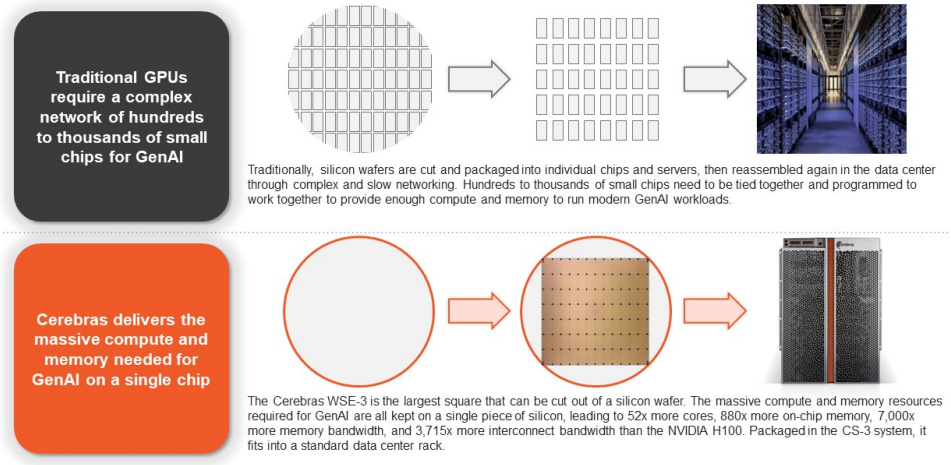
- **Multi-die interconnect.** Traditionally, small die—regions of silicon containing an integrated circuit—are replicated independently on a silicon wafer and then cut up ("diced") into small, separate chips. We have developed the technology to connect these otherwise independent die together at the wafer level, at the semiconductor fabrication plant. The inter-die connectivity uses a special cross-reticle connection that is integrated into the overall fabrication process.

- **Fault-tolerant architecture.** A primary factor in the commercial viability of a semiconductor is the yield. The fabrication process introduces tiny defects – and chips with these defects are discarded and considered yield loss. Recognizing that large chips are more prone to defects than small chips, we invented new techniques designed to withstand defects, rather than seek to avoid them. Combining architectural innovations with insights from adjacent industries, we used a combination of redundant compute cores and

redundant routing to address the yield problems. The wafer behaves like a hyper-scale data center, using a "fail in place" mechanism to handle the inevitable failures at scale. Flaws are designed to be recognized, shut down, and routed around. Redundant cores are used to re-form a logically functional whole.

The enormous scale of our wafer-scale engine provides four fundamental technical advantages for AI:

1. **Massive, tightly-coupled compute.** All modern, high-quality GenAI models require too much compute to run on a single GPU. Our wafer-scale processor is purpose-built for these AI workloads and tightly couples a massive amount of compute resources (900,000 cores, 52 times more than the leading GPU currently in the market) onto the same piece of silicon. By integrating the equivalent compute of a cluster of GPUs onto a single chip, the WSE can train or run inference on large AI workloads without breaking up the problem across a large number of small devices. Keeping so much compute in one place also allows the WSE to achieve significantly higher performance and power efficiency, compared to GPU clusters that require heavy communication across hundreds or thousands of small chips. Put simply, the WSE avoids the bandwidth, latency, and power tax of distributing communication-heavy AI computation across chips.

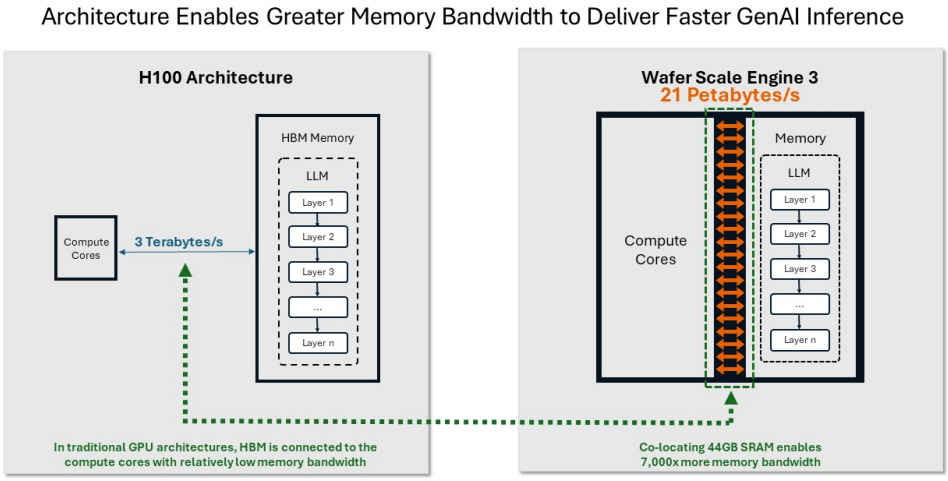


Comparison of Cerebras Wafer-Scale Integration Versus Traditional GPU Cluster Integration

2. **Fast, efficient interconnect.** For both inference and training, AI requires extraordinary amounts of data movement. On GPU clusters, most of the data movement occurs between individual GPU chips using traditional I/O interconnects such as NVLink or Infiniband. On the Cerebras wafer-scale chip, most of the data movement is performed locally using the on-chip fabric that achieves nearly 30,000 times higher interconnect bandwidth and is over 100 times more power-efficient per bit of data moved, compared to leading GPU interconnects. This architecture achieves industry-leading interconnect performance and efficiency compared to current GPU servers. This directly translates into faster acceleration for both training and inference, as it minimizes communication across slow, physical networking interfaces.

3. **Outsized on-chip memory and memory bandwidth.** AI workloads use memory to store the model state (parameters) and active data samples running through the model (activations). Fast access to this data is critical to the performance of both training and inference. The WSE uses a unique memory-in-compute architecture, which integrates memory and processing cores on the same chip, minimizing the distance that

data must travel between memory and compute. Memory-in-compute architectures provide a step-change improvement in bandwidth compared to traditional external-memory architectures. This directly results in dramatically reduced latency and power consumption. Traditionally, memory-in-compute architectures were restricted to only small-scale problems because the tight integration of memory and compute was constrained by the small size of single chips. With wafer-scale integration, we are able to scale to enormous on-chip memory (SRAM) capacity (44 GB) on a single chip, while achieving 7,000 times more memory bandwidth (21 petabytes per second) compared to the leading GPU.



WSE-3 Achieves 7,000 Times More Memory Bandwidth Compared to NVIDIA H100

4. **Native hardware acceleration for sparsity (zeros in data).** AI models are designed to be over-parameterized and created with more parameters than required to produce the result. The goal of training a neural network is to find the important subset of the parameters to produce the best result. Therefore, AI models can contain a large number of zero-valued parameters, which are less important, and do not impact the result. These zero-valued parameters are considered "sparse" and can mathematically be skipped when computing the model, since multiply-by-zero is always zero. The WSE-3 architecture has the memory bandwidth and built-in fine-grained dataflow hardware mechanisms to skip multiplies by zero, only performing work for the non-zero important parameters, and thereby accelerating performance. We believe the WSE-3 is the only commercially available hardware that can accelerate every sparsity pattern because our hardware supports fully unstructured sparsity. This sparsity acceleration uses less power by skipping unnecessary compute and can provide a significant additional performance advantage both for training and inference.



Sparsity Within Neural Networks. Dense networks can be made sparse by removing the less important parameters (connections between nodes) and retaining only the important information. We believe Cerebras has the only hardware architecture on the market capable of accelerating all forms of sparsity, including unstructured sparsity.

CS-3 System Powered by the WSE-3 – Innovative Power and Cooling for Our Wafer-Scale Chip

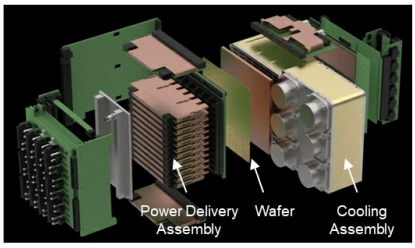
The CS-3 system houses the WSE-3 and is engineered to tackle the unique thermal and power challenges of wafer-scale integration. To support the wafer-scale chip and make it easy to deploy in modern data centers, we have developed and productized key system and packaging technologies:

- **Thermal expansion-tolerant packaging.** The physical connection between the chip and the surrounding infrastructure must be tolerant to the physical stresses caused by thermal expansion over a wide temperature range. At wafer-scale, the thermal expansion stress is significantly higher than traditional chip packages because of the size of the chip. We have developed a unique packaging technique using flexible connections to compensate for the high degree of thermal stresses, designed to enable reliable and high performance in all workload scenarios.

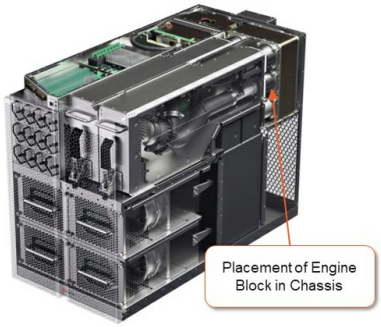
- **Wafer-scale power and cooling.** Since the wafer-scale chip is significantly larger in size than traditional chips, it requires innovative methods of power and cooling that cannot be satisfied by typical methods designed for smaller chips. To address this challenge, we have developed a novel, perpendicular power and water-cooling delivery system designed to provide uniform power and cooling to the entire surface of the wafer, maximizing power efficiency and thermal management.

Additionally, the CS-3 provides all the physical infrastructure, interfaces, and management to easily integrate into a standard data center. The CS-3 is a 16RU chassis with high-availability, redundant, and hot-swappable power supplies and fans. The system uses high-speed, standards-based 100G Ethernet connections to communicate to the

cluster and rest of the data center. We have also developed an advanced system manager that is constantly monitoring and adjusting the unique wafer-scale operating conditions and providing system administrator interfaces.



An exploded view of the "engine block" surrounding the wafer shows the innovative power delivery assembly (including the voltage regulator modules that deliver power perpendicularly to the wafer face) and the cooling assembly (including the hose attachments for water cooling and the cold plate).



A cutaway view of the CS-3 system chassis shows the placement of the engine block within the chassis, which is designed to fit in a standard data center rack and connect via standard Ethernet.

Cerebras CS-3 System. The left diagram shows the wafer packaging, called the "engine block" providing direct power and cooling to the wafer. The right diagram shows the entire CS-3 system, which houses a single WSE-3 and engine block, and provides the physical infrastructure to integrate into a standard data center.

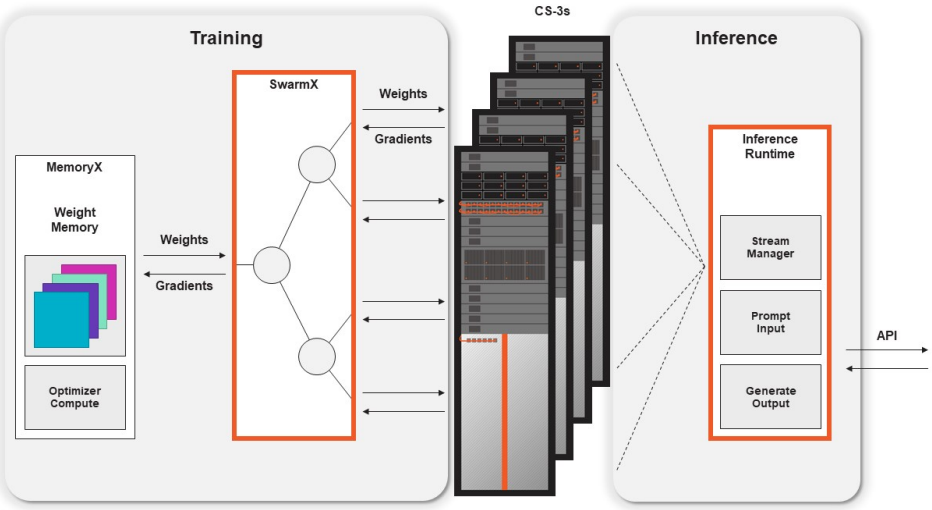
The Cerebras AI Supercomputer – Purpose Built for Scaling Training and Inference Performance

While a single CS-3 already has the equivalent performance of a GPU cluster, there is often a need to accelerate even further by using multiple CS-3 systems. Our specialized wafer-scale AI Supercomputer architecture is designed to scale near-linearly on up to 2,048 CS-3 systems, and to bring exceptional acceleration for training and inference on even the largest AI models, without distribution complexity. Through co-design with the WSE-3 chip and CS-3 system, Cerebras has developed and productized key cluster-scaling technologies:

- **Training parameter storage.** The cluster uses a device called MemoryX to centrally store model parameters during training, enabling seamless model scaling. Parameters are streamed to the CS-3 system for training computations, allowing even a single CS-3 to train the largest models, limited only by MemoryX storage capacity. This separation of storage from compute allows for scaling the model size independent of compute capacity. In the CS-3 wafer-scale cluster, SKUs support models ranging from 30 billion to 24 trillion parameters.

- **Data-parallel training interconnect.** The cluster features a specialized interconnect, SwarmX, enabling data-parallel scaling for training large models. SwarmX includes active devices for weight broadcast and gradient reduction, simplifying operations compared to traditional GPU clusters. In the CS-3 wafer-scale cluster, SwarmX uses 400G and 800G links, designed to support up to 2,048 CS-3 systems in a single cluster.

- **Inference runtime processing.** The AI Supercomputer has proprietary software that handles inference runtime operations. Model parameters are stored in on-chip memory for ultra-low latency during inference. The inference runtime subsystem provides low latency data input to each CS-3, coordinates their operations, and interfaces with external inference systems. It also manages numerous simultaneous inference streams while maintaining ultra-low latency in the CS-3 wafer-scale cluster.



The Cerebras Wafer-Scale Cluster. The single cluster architecture has resources to support training (shown on the left) and inference (shown on the right). These resources are assigned to CS-3 systems (shown in the middle) such that any CS-3 system can be used either for training or inference.

CSoft Compiler Co-designed With the Hardware to Deliver Easy-To-Use Performance

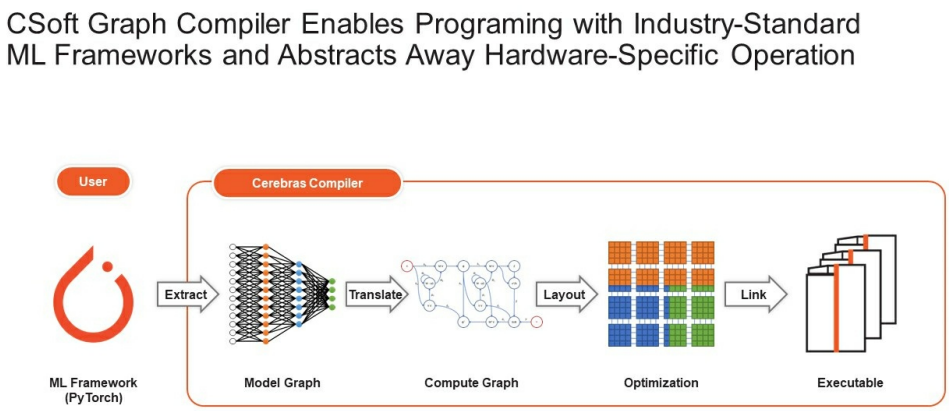
The Cerebras Software platform (CSoft) is foundational to the usability and user productivity advantages of the Cerebras solution. CSoft allows ML users to program for Cerebras Supercomputer clusters as simply as they would for a single computer, without any distributed computing complexity. This enables rapid iteration and allows users to focus purely on ML experimentation, model quality, and business value creation. To achieve these goals, we developed and productized key software and AI technologies:

- **PyTorch tracing and integration.** PyTorch is the industry-standard programming language of ML practitioners because it is easy to use and abstracts away the hardware. PyTorch allows users to focus on the ML algorithm, programming in the high-level Python language while avoiding low-level languages such as CUDA. CSoft is tightly integrated with PyTorch so that programs written in PyTorch can be extracted and then mapped to the Cerebras architecture efficiently. The PyTorch integration uses an advanced tracing technique that can analyze the AI model prior to executing it, to identify all the model components to be globally optimized. This tracing technique is designed to be leverageable for other ML frameworks that gain future popularity as well, allowing us to adapt as the needs of the ML community change.

- **Performance optimizing graph compiler.** Once the AI model has been extracted from PyTorch, the CSoft Graph Compiler compiles the model for the Cerebras hardware and automatically generates the machine code that runs on each core of each WSE-3. The compile process uses a series of proprietary steps to transform the high-level program to efficient, low-level machine code. To find an optimal mapping, we developed a series of advanced optimization algorithms using constraint solving and simulated annealing to produce high-performance out-of-the-box on the CS-3 hardware.

- **AI model and workflow libraries.** On top of the PyTorch and compiler foundation, the remaining critical enabler to state-of-the-art AI is the ML algorithmic techniques needed to create and run the model for

training or inference. We have developed and validated state-of-the-art ML techniques that have led to many research publications and releases of best-in-class models, including GPT model scaling laws, long context architectures, multi-modal image and text models, and hyper-parameter tuning recipes. The list of techniques continues to grow as we further our applied ML research and learnings from customer engagements. We have distilled these techniques into a library of AI models, layer abstractions, and workflows that enable users to directly achieve state-of-the-art ML results, without having to build the model or learn the techniques from scratch. This library is called the Cerebras Model Zoo, an open-source repository of reference model implementations using the latest ML techniques, data preprocessing tools, and training recipes. Model Zoo includes a wide range of GenAI model examples supporting a diverse set of downstream applications and provides users with an easy foundation to build upon that already leverages state-of-the-art advancements and best practices.



The CSoft Software Stack. User programs are extracted from industry standard PyTorch, optimized and lowered to execute on the CS-3 systems with high performance without further user intervention.

Extraordinary Performance, Efficiency, and Ease of Use – Fundamental Technology Innovation Produces Industry-Leading User Value

The above Cerebras technology advancements combine to provide direct customer benefit across key areas, solving fundamental challenges faced by GPU clusters:

1. High performance training: over 10 times faster training time-to-solution than the leading 8-way GPU systems of the same generation (as reported by many of our customers), designed to scale to 256 exaFLOPS.
2. High performance inference: over 10 times faster output generation speeds than GPU-based solutions from top CSPs.
3. High power efficiency: three times higher performance per watt than the leading 8-way GPU system.
4. Easy to program, with low developer switching cost.

Sales and Marketing

Our sales and marketing strategy centers on deep market understanding and customer-centric product development. We leverage our extensive market knowledge, proven track record in delivering large-scale compute solutions, and close customer collaborations to optimize our product roadmap. This is designed to ensure our solutions consistently deliver significant value to our customers.

Alongside a focused sales force, we maintain a dedicated Field ML team. This team provides customers with access to leading AI expertise, ensuring they are positioned to leverage our technology effectively. Field ML teams are supported by Applied ML teams, product applications engineers, marketing, and business development/strategy teams, fostering a comprehensive customer support structure.

We focus our sales and marketing efforts on industry leaders, specifically large enterprises domestically and abroad with rich data assets. Our customers are seeking to leverage their rich proprietary data and combine it with Cerebras' industry leading compute and AI expertise to build a durable competitive advantage. Among our customers, word of success travels quickly, and as a result, it is very important to our future that we maintain strong and collaborative relationships and that we invest behind the largest and most successful of our customers. We utilize master purchase agreements, purchase orders, and statements of work, to define work scope, price, quantities, delivery terms, warranties, and software subscriptions. We predominantly sell our solutions directly to customers via on-premise hardware or via the cloud, based on a consumption-based model.

Research and Development

We are committed to relentless innovation in both hardware and software to address the rapidly-evolving computational needs of GenAI.

In the hardware domain, our research and development efforts focus on chip and system design. We spearheaded the development of wafer-scale integration, resulting in three generations of industry-leading processors at the 16nm, 7nm, and 5nm process nodes. While the idea that bigger silicon would lead to computational efficiencies was novel in 2016, the rest of the industry has now moved in this direction. Cerebras' innovations in wafer-scale technology helped solve a technical problem that had been open in the processor industry for 75 years. Core members of our founding and early engineering team are world-leaders in chip design and took big risks to help drive the computational industry forward. Our rigorous design methodology utilizes cutting-edge simulation tools and partnerships with Electronic Design Automation providers to create high-quality processors and accelerated development cycles.

In the software domain, we develop specialized compilers that translate AI models for optimal performance on our hardware, maximizing performance and efficiency. Our researchers are leaders in sparsity techniques, a critical approach for efficient AI workloads, as evidenced by our publications in this field. These techniques are represented in new and advanced models that we make available to our customers.

We dedicate significant resources to ongoing research and development. We invest heavily in attracting and retaining a global team of highly skilled engineers across dedicated facilities in the United States, Canada, and India. This unwavering commitment to innovation fuels our growth and positions us as a leader in the GenAI landscape.

Manufacturing and Suppliers

We operate a fabless manufacturing model, strategically partnering with industry leaders for the production of our AI compute systems which include ICs, boards, and systems. Our core manufacturing partners include:

TSMC, a leading semiconductor foundry, fabricates our cutting-edge WSEs. Advanced Semiconductor Engineering ("ASE") handles specialized processes, including the deposition of redistribution layers, and we manage final wafer packaging, assembly, and testing in our Sunnyvale, California facility.

We also use a small number of third parties to manufacture subassemblies and critical components such as printed circuit boards, I/O subsystems, cooling assemblies and power delivery modules. The manufacturing process is subject to extensive testing and verification.

Our supply chain is designed for flexibility and for quality, as we plan to ramp up production to meet the growing global demand for our AI compute systems. Simultaneously, we are committed to rigorous quality control throughout the manufacturing process to confirm reliability in even the most demanding environments at our customer facilities. Our contract manufacturing partners perform system assembly, extensive testing, and verification protocols are in place at every stage including post assembly. Final system-level burn-in and test is conducted by Cerebras. Our quality processes include high production test coverage, full product traceability, and extensive post assembly burn-in. We employ a dedicated quality team that continuously monitors feedback during manufacturing and after deployment. This data-driven approach allows us to improve our product quality and reliability, and help us meet the stringent demands of our customers worldwide.

Intellectual Property

Protecting our intellectual property and proprietary technology, including our AI products and solutions, is an important aspect of our business. We rely on a combination of intellectual property rights, including patent, trademark, trade secret, and other related laws in the United States and internationally as well as confidentiality procedures and contractual provisions to protect, maintain, and enforce our proprietary technology, intellectual property rights, and brand. Our intellectual property portfolio includes patents, trademarks, proprietary software, and trade secrets.

As of June 30, 2024, we owned 85 issued patents and 15 pending patent applications globally. Of these, 44 are issued U.S. patents and nine are pending U.S. patent applications. Our issued patents and pending patent applications generally relate to the design and fabrication of wafer-scale processors, the assembly, packaging, and cooling of wafer-scale processors and hardware, and software architectures for accelerated deep learning. The expiration dates of the U.S.-issued patents are between 2038 and 2042, not taking into account any applicable patent term extensions. We routinely review our development efforts to assess the existence and patentability of new inventions.

We have a policy of requiring employees and consultants to execute confidentiality agreements upon the commencement of an employment or consulting relationship with us. Our employee and independent contractor agreements also require relevant employees and independent contractors to assign to us all rights to any inventions made or conceived during their employment or engagement with us. In addition, we typically require individuals and entities with which we discuss potential business relationships to sign non-disclosure agreements that contain customary confidentiality provisions.

Competition

We offer a purpose-built AI compute platform. Our CS product family primarily competes against solutions from NVIDIA Corporation, Advanced Micro Devices, Inc., Intel Corporation, Microsoft Corp., and Alphabet Inc., among others, as well as internally developed custom application-specific integrated circuits and a variety of private companies, some of which are focused on inference-only offerings.

We believe that our ability to remain competitive will depend on how well we are able to anticipate the features and functions that customers will require and whether we are able to deliver consistent volumes of our products at acceptable levels of quality and at competitive prices. We expect competition to increase from both existing competitors and new market entrants with products that may be lower priced than ours or may provide better performance or additional features not provided by our products. In addition, it is possible that new competitors or alliances among competitors could emerge and acquire significant market share. Some of our competitors have greater marketing, financial, distribution, and manufacturing resources than we do and may be more able to adapt to customers or technological changes. We expect an increasingly competitive environment in the future.

Human Capital

As of June 30, 2024, we had 340 employees, including 218 in the United States, and we have employees located internationally, including in Canada, and in India. We maintain a full-time workforce and supplement our workforce with contractors and consultants.

To our knowledge, none of our employees are represented by a labor union or party to a collective bargaining agreement. We consider our relationships with our employees to be good. Our human capital resources objectives include, as applicable, identifying, recruiting, retaining, incentivizing, and integrating our existing and new employees. The principal purposes of our equity incentive plans are to attract, retain, and reward personnel through the granting of stock-based compensation awards in order to increase stockholder value and the success of our company by motivating such individuals to perform to the best of their abilities and achieve our objectives.

Facilities

Our corporate headquarters is located in Sunnyvale, California, where we lease approximately 68,000 square feet for office space, research and development, and testing, pursuant to a lease agreement that expires in November 2027, subject to the terms thereof. We lease additional facilities in San Diego, Canada, and India for research and development.

We also enter into agreements for offsite colocation facilities to house and operate our AI supercomputers. We enter into these agreements for our own corporate purposes as well as on behalf of our customers. Currently, our data center facilities are in California, and we manage another data center facility in Texas on behalf of a customer.

We believe that our facilities are suitable to meet our current needs. We intend to expand our facilities or add new facilities as we grow, and we believe that suitable additional or alternative spaces will be available on commercially reasonable terms, if required.

Government Regulations

We are subject to many U.S. federal and state laws, rules, and regulations, as well as laws, rules, and regulations imposed by various non-U.S. governmental authorities, including those related to intellectual property, tax, import and export requirements, anti-corruption, economic and trade sanctions, national security and foreign investment, foreign exchange controls and cash repatriation restrictions, data privacy and security requirements, competition, advertising, employment, product regulations, environment, health, and safety requirements, and consumer laws. These laws and regulations are complex, are constantly evolving, and may be interpreted, applied, created, or amended, in a manner that could harm our business.

The import and export of our products and technology are subject to laws and regulations, including international treaties, U.S. and various non-U.S. export controls and sanctions laws, customs regulations, and other trade rules. The scope, nature, and severity of such controls varies widely across different countries and may change frequently over time. Such laws, rules, and regulations may delay the introduction of some of our products or impact our competitiveness through restricting our ability to do business in certain countries or territories or with certain parties (including certain governments) or certain jurisdictions. U.S. export restrictions also require us to obtain licenses from the U.S. Department of Commerce to allow the export or transfer of our products (including our software and technology), and there can be no assurance that export permissions will be granted.

See the section titled “Risk Factors” for additional information regarding risks we face related to government regulation.

Legal Proceedings

From time to time, we may be subject to legal proceedings, claims, and investigations in the ordinary course of business. We are not presently a party to any litigation to which the outcome, we believe, if determined adversely to

us, would individually or taken together have a material adverse effect on us. We cannot predict the results of any such proceedings, claims, or investigations, and despite the potential outcomes, the existence thereof may have a material adverse impact on us due to diversion of management time and attention as well as the financial costs related to resolving such matters.

MANAGEMENT

Executive Officers and Directors

The following table sets forth information regarding our executive officers and directors as of June 30, 2024:

Name	Age	Position(s)
Executive Officers and Employee Director:		
Andrew D. Feldman	55	Chief Executive Officer, President, and Director
Robert Komin	61	Chief Financial Officer
Dhiraj Mallick	52	Chief Operating Officer
Non-Employee Directors:		
Paul Auvil	60	Director
Glenda Dorchak	70	Director
Brad Gerstner	53	Director
Lior Susan	40	Director
Steve Vassallo	53	Director
Eric Vishria	45	Director

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(1) Member of the audit committee.
(2) Member of the compensation committee.
(3) Member of the nominating and corporate governance committee.

Executive Officers and Employee Director

Andrew D. Feldman is one of our co-founders and has served as our Chief Executive Officer and President and as a member of our board of directors since March 2016. From February 2012 to June 2014, Mr. Feldman served as Corporate Vice President and General Manager at Advanced Micro Devices, Inc. ("AMD"), a semiconductor company. From November 2007 to February 2012, Mr. Feldman served as Chief Executive Officer at SeaMicro, a dense microserver company acquired by AMD. From August 2003 to December 2006, Mr. Feldman served as Vice President, Marketing and Product Management at Force10 Networks, Inc., a computer networking company acquired by Dell, Inc. From March 2000 to August 2003, Mr. Feldman served as Vice President, Corporate Marketing and Corporate Development at Riverstone Networks Inc., a networking switching hardware company. Mr. Feldman holds an M.B.A. from Stanford University and a B.A. in Economics and Political Science from Stanford University.

We believe Mr. Feldman is qualified to serve as a member of our board of directors because of the perspective and experience he brings as our co-founder and Chief Executive Officer. See "—Involvement in Certain Legal Proceedings" for certain details regarding historical legal proceedings involving Mr. Feldman.

Robert Komin has served as our Chief Financial Officer and Treasurer since March 2024. Mr. Komin previously served as Chief Financial Officer of Sunrun Inc. ("Sunrun"), a residential solar and storage company, from March 2015 to May 2020, and then continued as a consultant until January 2021. From September 2013 to January 2015, Mr. Komin served as Chief Financial Officer at Flurry, Inc., a mobile analytics and advertising company. From August 2012 to August 2013, Mr. Komin served as Chief Financial Officer at Ticketfly, Inc., a music ticketing and marketing services provider. From January 2010 to July 2012, Mr. Komin served as Chief Operating Officer and Chief Financial Officer at Linden Research, Inc., a creator of virtual digital entertainment and cybercurrency. Mr. Komin previously served as a member of the board of directors and audit committee of Bird Global Inc., a micromobility company, from June 2021 to April 2024. Mr. Komin holds an M.B.A. from Harvard Business School and a B.S. in Accounting and General Science from the University of Oregon.

Dhiraj Mallick has served as our Chief Operating Officer since September 2023. From June 2018 to September 2023, Mr. Mallick served as our Senior Vice President of Engineering and Operations. From November 2015 to May 2018, Mr. Mallick served as Vice President of Innovation, Pathfinding and Architecture, Data Center Group at Intel Corporation, a multinational technology company. From April 2012 to August 2015, Mr. Mallick served as General Manager and Corporate Vice President at AMD. Since January 2020, Mr. Mallick has served on the Global Advisory Group of the Global Semiconductor Alliance, a semiconductor and technology industry organization. Mr. Mallick holds an M.S. in Electrical Engineering from Stanford University and a B.S. in Electrical Engineering from the University of Rochester.

Non-Employee Directors

Paul Auvil has served as a member of our board of directors since July 2024. Mr. Auvil previously served as Chief Financial Officer of Proofpoint, Inc., an enterprise security company, from March 2007 to February 2023. From September 2006 to March 2007, Mr. Auvil was an entrepreneur-in-residence with Benchmark Capital, a venture capital firm. From August 2002 to July 2006, Mr. Auvil served as Chief Financial Officer at VMware, Inc., a cloud-computing and virtualization company. From April 1998 to January 2002, Mr. Auvil served as Chief Financial Officer at Vitria Technology, Inc., an eBusiness platform company. Mr. Auvil held various executive positions at VLSI Technology, Inc., a semiconductor and circuit manufacturing company, from August 1988 to March 1998, including serving as the Vice President of the Internet and Secure Products Division. Mr. Auvil has served as a member of the board of directors of Elastic N.V., a platform for search-powered solutions, since October 2023. Mr. Auvil previously served as a member of the boards of directors of 1Life Healthcare, Inc. (doing business as One Medical), a primary care organization acquired by Amazon, Inc., from September 2019 to February 2023, Quantum Corporation, a data storage company, from August 2007 to November 2017, Marin Software Incorporated, a cloud-based advertisement management platform company, from October 2009 to April 2017, and OpenTV Corp., a provider of interactive television software and services, from January 2010 to April 2010. Mr. Auvil holds an M.M. from the Kellogg Graduate School of Management at Northwestern University and a B.E. in Electrical Engineering from Dartmouth College.

We believe Mr. Auvil is qualified to serve as a member of our board of directors because of his extensive experience in the technology industry and as an executive and a member of the boards of directors of technology companies.

Glenda Dorchak has served as a member of our board of directors since July 2024. Ms. Dorchak previously served as Executive Vice President and General Manager of Global Business for Spansion Inc., a flash memory manufacturer, from April 2012 to June 2013. Ms. Dorchak served as Chief Executive Officer of VirtualLogix, Inc., a virtualization software solutions company, from January 2009 to October 2010, and as Chief Executive Officer of Intrinsyc Software, a software company, from July 2006 to November 2008. From March 2001 to July 2006, Ms. Dorchak served in various roles at Intel Corporation, including as Vice President and Chief Operating Officer Intel Communications Group, Vice President and General Manager Intel Broadband Products Group, and Vice President and General Manager Intel Consumer Electronics Group. Ms. Dorchak served as Chairman and Chief Executive Officer at Value America, an e-retailer, from September 1998 to November 2000. From July 1974 to September 1998, Ms. Dorchak held various management and executive positions at IBM Corporation, a semiconductor and circuit manufacturing company, including General Manager and Director of IBM Direct, and Director, General Business, of IBM Personal Systems Group North America. Ms. Dorchak has served as a member of the boards of directors of Wolfspeed, Inc., a provider of silicon carbide materials and semiconductor products, since January 2020, Globalfoundries Inc., a semiconductor contract manufacturing and design company, since June 2019, and Ansys Inc., an engineering simulation software company, since July 2018. She previously served as a member of the boards of directors of Viavi Solutions Inc., a provider of network test, monitoring, and assurance solutions, from November 2019 to October 2021, Mellanox Technologies, Ltd., a multinational supplier of computer networking products, from June 2009 to April 2020, Quantenna Communications, a communication device company, from June 2018 to June 2019, and Energy Focus Inc., a developer of energy-efficient LED lighting systems and controls, from July 2015 to February 2019.

We believe Ms. Dorchak is qualified to serve as a member of our board of directors because of her experience in our industry and as a member of the boards of directors of public companies.

Brad Gerstner has served as a member of our board of directors since January 2024. Since October 2008, Mr. Gerstner has served as Chief Executive Officer of Altimeter Capital Management, a technology-focused investment firm. Mr. Gerstner served as Chief Executive Officer, President, and Chairman of the boards of directors of Altimeter Growth Corp. from August 2020 to December 2021 and of Altimeter Growth Corp. 2 from December 2020 until its liquidation in December 2022, both of which were public special purpose acquisition companies. From September 2005 to August 2008, Mr. Gerstner served as a Portfolio Manager at PAR Capital Management, an investment company. Since May 2019, Mr. Gerstner has served as a member of the board of directors of iHeartMedia, Inc., a media company. Mr. Gerstner previously served as a member of the board of directors and compensation committee of Orbitz Worldwide, Inc., a global online travel company. He also serves as a member of the boards of directors of several private companies, including Sigma Computing, Inc., and serves as a member of the board of directors of Invest America Charitable Foundation. Mr. Gerstner holds an M.B.A. from Harvard Business School, a J.D. from Indiana University Maurer School of Law, and a B.A. in Economics and Political Science from Wabash College.

We believe Mr. Gerstner is qualified to serve as a member of our board of directors because of his expertise and experience working with and investing in technology companies.

Lior Susan has served as a member of our board of directors since April 2023. Since January 2015, Mr. Susan has served as Founder and Managing Partner of Eclipse Ventures, a venture capital firm. Mr. Susan is a co-founder of Bright Machines, Inc., a software company, and has served as its Executive Chairman since January 2018 and as its Chief Executive Officer from January 2018 to May 2018, from December 2021 to December 2022, and from August 2023 to the present. From June 2012 to January 2015, Mr. Susan served as Founder and General Partner at LabIX, the hardware investment platform of Flextronics International Ltd., an end-to-end supply chain solutions company. Mr. Susan served as an Advisor at Intucell Ltd., a self-optimizing network software company, from April 2008 until it was sold to Cisco in 2012. Mr. Susan has served as a member of the board of directors of Owlet, Inc., a health technology company, since March 2015, and has served as the chairman of its board of directors since July 2021. He also serves as a member of the boards of directors of several private companies, including Augury, Inc., Bright Machines, Inc., Chord Commerce, Inc., Cybertoka Ltd., Datapelago, Inc, Datorios, Inc., Dutch Pet, Inc., Flex Logix Technologies, Inc., InsidePacket, Ltd., Senser, Ltd., and Skyryse, Inc. Mr. Susan is former member of an elite Special Forces unit in the Israel Defense Force.

We believe Mr. Susan is qualified to serve as a member of our board of directors because of his expertise and experience working with and investing in technology companies.

Steve Vassallo has served as a member of our board of directors since May 2016. Since October 2007, Mr. Vassallo has served as a general partner and in various other roles at Foundation Capital, a venture capital firm. From September 2004 to September 2006, Mr. Vassallo served as Vice President of Product and Engineering at Ning Interactive Inc., a social platform. From May 1999 to September 2002, Mr. Vassallo served as director of engineering at Immersion Corporation, a haptic technology company. Mr. Vassallo previously served as a member of the board of directors of Sunrun from May 2008 to June 2019. Mr. Vassallo also serves as a member of the boards of directors of several private companies. Mr. Vassallo holds an M.B.A. from Stanford University, an M.S. in Electromechanical Engineering from Stanford University, and a B.S. in Mechanical Engineering from Worcester Polytechnic Institute.

We believe Mr. Vassallo is qualified to serve on our board of directors because of his extensive experience in the technology industry.

Eric Vishria has served as a member of our board of directors since March 2016. Since July 2014, Mr. Vishria has served as a General Partner of Benchmark, a venture capital firm. From August 2013 to August 2014, Mr. Vishria served as Vice President, Digital Magazines and Verticals at Yahoo! Inc., a web services provider. From November 2008 to August 2013, Mr. Vishria served as co-founder and Chief Executive Officer of RockMelt, Inc., a

social media web browser. He has served as a member of the boards of directors of Amplitude, Inc., a digital optimization company, since December 2014, and Confluent, Inc., a data solutions company, since September 2014. He also serves as a member of the boards of directors of several private companies. Mr. Vishria holds a B.S. in Mathematical and Computational Science from Stanford University.

We believe Mr. Vishria is qualified to serve on our board of directors because of his extensive experience as a venture capital investor and a member of the boards of directors of other technology companies.

Involvement in Certain Legal Proceedings

Andrew D. Feldman was previously one of six named defendants in the action*SEC v. Pereira*, No. 3:06-cv-06384-CRB (N.D. Cal.), in which the SEC alleged, among other things, that Mr. Feldman, as Vice President, Corporate Marketing and Corporate Development of Riverstone Networks, Inc., negotiated, reviewed, approved, or was otherwise aware of sales transactions in 2001 and 2002 that were improperly accounted for by Riverstone and aided and abetted Riverstone in violating U. S. securities laws. Without admitting or denying the allegations of the complaint, Mr. Feldman settled the claims against him in 2008 by entering into an agreement with the SEC permanently restraining and enjoining Mr. Feldman from violating federal securities laws and requiring Mr. Feldman to pay $289,507 plus interest. In connection with the same alleged facts, Mr. Feldman also pled guilty in December 2007 to one count of circumventing accounting controls of an issuer in violation of 15 U.S.C. sections 78m(b)(5) and 78ff, and was sentenced to three years of probation and fined $5,000 in connection with an action brought by the U.S. Department of Justice captioned *USA v. Feldman*, No. 3:07-cr-07-00731-0001-CRB (N.D. Cal.).

Family Relationships

There are no family relationships among any of our executive officers or directors.

Board Structure and Composition

Director Independence

Our board of directors currently consists of seven members. Our board of directors has determined that all of our directors, other than Mr. Feldman, qualify as independent directors in accordance with the Rules. Mr. Feldman is not considered independent by virtue of his position as an executive officer of the company. Under the Rules, the definition of independence includes a series of objective tests, such as that the director is not, and has not been for at least three years, one of our employees and that neither the director nor any of his or her family members has engaged in various types of business dealings with us. In addition, as required by the Rules, our board of directors has made a subjective determination as to each independent director that no relationships exists that, in the opinion of our board of directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making these determinations, our board of directors reviewed and discussed information provided by the directors and us with regard to each director's relationships as they may relate to us and our management.

Classified Board of Directors

In accordance with our amended and restated certificate of incorporation, which will be effective immediately prior to the completion of this offering, our board of directors will be divided into three classes with staggered three-year terms. At each annual general meeting of stockholders, the successors to directors whose terms then expire will be elected to serve from the time of election and qualification until the third annual meeting following election. Our directors will be divided among the three classes as follows:

- The Class I directors will be , , and , and their terms will expire at the annual meeting of stockholders to be held in 2025;

- The Class II directors will be and , and their terms will expire at the annual meeting of stockholders to be held in 2026; and
- The Class III directors will be and , and their terms will expire at the annual meeting of stockholders to be held in 2027.

We expect that any additional directorships resulting from an increase in the number of directors will be distributed among the three classes so that, as nearly as possible, each class will consist of one-third of the directors. The division of our board of directors into three classes with staggered three-year terms may delay or prevent a change of our management or a change in control.

Voting Arrangements

The election of the members of our board of directors is currently governed by our amended and restated voting agreement that we entered into with certain holders of our capital stock and the related provisions of our current amended and restated certificate of incorporation. Pursuant to our amended and restated voting agreement and current amended and restated certificate of incorporation, Mr. Feldman was elected by certain holders of our common stock, voting together as a single class; Messrs. Susan, Vassallo, and Vishria were elected by the holders of our Series A redeemable convertible preferred stock; and Mr. Gerstner was elected by the holders of our Series E redeemable convertible preferred stock.

Our amended and restated voting agreement will terminate and the provisions of our current amended and restated certificate of incorporation by which our directors were elected will be amended and restated in connection with this offering. After 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 that will become effective immediately prior to the completion of this offering. 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.

Role of Board in Risk Oversight Process

Risk assessment and oversight are an integral part of our governance and management processes. Our board of directors encourages management to promote a culture that incorporates risk management into our corporate strategy and day-to-day business operations. Management discusses strategic and operational risks at regular management meetings, and conducts specific strategic planning and review sessions during the year that include a focused discussion and analysis of the risks facing us. Throughout the year, senior management reviews these risks with the board of directors at regular board meetings as part of management presentations that focus on particular business functions, operations or strategies, and presents the steps taken by management to mitigate or eliminate such risks.

Our board of directors does not have a standing risk management committee, but rather administers this oversight function directly through our board of directors as a whole, as well as through various standing committees of our board of directors that address risks inherent in their respective areas of oversight. While our board of directors is responsible for monitoring and assessing strategic risk exposure, our audit committee is responsible for overseeing our major financial risk exposures and the steps our management has taken to monitor and control these exposures. The audit committee also approves or disapproves any related person transactions. Our nominating and corporate governance committee monitors the effectiveness of our corporate governance guidelines. Our compensation committee assesses and monitors whether any of our compensation policies and programs has the potential to encourage excessive risk-taking. The risk oversight process also includes receiving regular reports from our committees and members of senior management to enable our board of directors to understand our risk identification, risk management, and risk mitigation strategies with respect to areas of potential material risk, including operations, finance, legal, regulatory, cybersecurity, strategic and reputational risk.

Board Committees

Effective as of the date the registration statement of which this prospectus forms a part is declared effective by the SEC, our board of directors will have three standing committees: an audit committee; a compensation committee; and a nominating and corporate governance committee. Each committee is governed by a charter that will be available on our website following completion of this offering. Members serve on these committees until their resignation or until otherwise determined by our board of directors.

Audit Committee

Effective as of the date the registration statement of which this prospectus forms a part is declared effective by the SEC, the members of our audit committee will consist of , , and . will be the chairperson of our audit committee. The composition of our audit committee meets the requirements for independence under the current listing standards of and Rule 10A-3 of the Exchange Act. Each member of our audit committee is financially literate. In addition, our board of directors has determined that is an "audit committee financial expert" within the meaning of the SEC rules. This designation does not impose on such directors any duties, obligations, or liabilities that are greater than are generally imposed on members of our audit committee and our board of directors. Our audit committee is directly responsible for, among other things:

- appointing, retaining, compensating and overseeing the work of our independent registered public accounting firm;
- assessing the independence and performance of the independent registered public accounting firm;
- reviewing with our independent registered public accounting firm the scope and results of the firm's annual audit of our financial statements;
- overseeing the financial reporting process and discussing with management and our independent registered public accounting firm the financial statements that we will file with the SEC;
- pre-approving all audit and permissible non-audit services to be performed by our independent registered public accounting firm;
- reviewing policies and practices related to risk assessment and management;
- reviewing our accounting and financial reporting policies and practices and accounting controls, as well as compliance with legal and regulatory requirements;
- reviewing, overseeing, approving, or disapproving any related-person transactions;
- reviewing with our management the scope and results of management's evaluation of our disclosure controls and procedures and management's assessment of our internal control over financial reporting, including the related certifications to be included in the periodic reports we will file with the SEC; and
- establishing procedures for the confidential anonymous submission of concerns regarding questionable accounting, internal controls, or auditing matters, or other ethics or compliance issues.

Compensation Committee

Effective as of the date the registration statement of which this prospectus forms a part is declared effective by the SEC, the members of our compensation committee will consist of , , and . will be the chairperson of our compensation committee. Each of , , and is a non-employee director, as defined by Rule 16b-3 promulgated under the Exchange Act and meets the requirements for

independence under the current listing standards of . Our compensation committee is responsible for, among other things:

- reviewing and approving the compensation of our executive officers, including reviewing and approving corporate goals and objectives with respect to compensation;
- authority to act as an administrator of our equity incentive plans;
- reviewing and approving, or making recommendations to our board of directors with respect to, incentive compensation and equity plans;
- reviewing and recommending that our board of directors approve the compensation for our non-employee directors; and
- establishing and reviewing general policies relating to compensation and benefits of our employees.

Nominating and Corporate Governance Committee

Effective as of the date the registration statement of which this prospectus forms a part is declared effective by the SEC, the members of our nominating and corporate governance committee will consist of , , and . will be the chairperson of our nominating and corporate governance committee. , , and meet the requirements for independence under the current listing standards of . Our nominating and corporate governance committee is responsible for, among other things:

- identifying and recommending candidates for membership on our board of directors, including the consideration of nominees submitted by stockholders, and on each of the board's committees;
- reviewing and recommending our corporate governance guidelines and policies;
- reviewing proposed waivers of the code of business conduct and ethics for directors and executive officers;
- overseeing the process of evaluating the performance of our board of directors; and
- assisting our board of directors on corporate governance matters.

Code of Business Conduct and Ethics

In connection with this offering, our board of directors will adopt a code of business conduct and ethics that applies to all of our employees, officers, and directors, including our Chief Executive Officer, Chief Financial Officer, and other executive and senior financial officers. Upon completion of this offering, the full text of our code of business conduct and ethics will be posted on the investor relations section of our website. We intend to disclose future amendments to our code of business conduct and ethics, or any waivers of such code, on our website or in public filings.

Indemnification and Insurance

We maintain directors' and officers' liability insurance. Our amended and restated certificate of incorporation and amended and restated bylaws will include provisions limiting the liability of directors and officers and indemnifying them under certain circumstances. We have entered or will enter into indemnification agreements with each of our directors and officers to provide our directors and officers with additional indemnification and related rights. See the section titled "Description of Capital Stock—Limitations on Liability and Indemnification Matters" for additional information.

Compensation Committee Interlocks and Insider Participation

None of the members of our board of directors who will serve on our compensation committee upon the effectiveness of the registration statement of which this prospectus forms a part 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 a compensation committee (or if no committee performs that function, the board of directors) of any other entity that has an executive officer serving as a member of our board of directors.

EXECUTIVE AND DIRECTOR COMPENSATION

Executive Compensation

The following is a discussion and analysis of compensation arrangements of our named executive officers ("NEOs"). This discussion contains forward looking statements that are based on our current plans, considerations, expectations and determinations regarding future compensation programs. Actual compensation programs that we adopt may differ materially from currently planned programs as summarized in this discussion. As an "emerging growth company" as defined in the JOBS Act, we are not required to include a Compensation Discussion and Analysis section and have elected to comply with the scaled disclosure requirements applicable to emerging growth companies.

We seek to ensure that the total compensation paid to our executive officers is reasonable and competitive. Compensation of our executive officers is structured around the achievement of individual performance and near-term corporate targets as well as long-term business objectives.

Our NEOs for the year ended December 31, 2023 were:

- Andrew D. Feldman, our Chief Executive Officer and President;
- Dhiraj Mallick, our Chief Operating Officer; and
- Anthony E. Maslowski, our former Chief Financial Officer.

Mr. Maslowski ceased serving as our Chief Financial Officer on March 15, 2024.

Summary Compensation Table

The following table sets forth total compensation paid to our NEOs for 2023.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)[1]	Option Awards ($)[1]	Non-Equity Incentive Plan Compensation ($)[2]	All Other Compensation ($)	Total ($)
Andrew D. Feldman *Chief Executive Officer*	2023	400,000	—	117,659	444,000	342,500	—	1,304,159
Dhiraj Mallick *Chief Operating Officer*	2023	385,417	—	3,514,000	900,350	187,500	—	4,987,267
Anthony E. Maslowski *Former Chief Financial Officer*	2023	350,000	—	—	592,000	100,000	—	1,042,000

(1) Amounts shown represent the grant date fair value of stock options and RSUs granted during 2023 as calculated in accordance with ASC Topic 718. See "Stock-Based Compensation" in Note 12 to our audited consolidated financial statements included elsewhere in this prospectus for the assumptions used in calculating this amount.

(2) Amounts shown represent performance-based cash bonuses earned based on the achievement of a certain corporate financial objective during 2023.

Narrative to Summary Compensation Table

Annual Base Salaries

We pay each of our NEOs a base salary to compensate them for services rendered to our company. The base salary payable to each NEO is intended to provide a fixed component of compensation reflecting the executive's skill set, experience, role, and responsibilities.

For 2023, the compensation committee of our board of directors established the annual base salary of each NEO for 2023 as follows: Mr. Feldman, $400,000; Mr. Mallick, $375,000; and Mr. Maslowski, $350,000. In August 2023, our compensation committee increased Mr. Mallick's annual base salary to $400,000, and in February 2024, our compensation committee increased the annual base salary of Mr. Feldman to $425,000.

Our board of directors and compensation committee may adjust base salaries from time to time in their discretion.

Annual Bonuses

We maintain an annual performance-based cash bonus program in which each of our NEOs participated in 2023. Under our annual performance-based cash bonus program, our compensation committee has established a target bonus opportunity for each NEO, with the NEO earnings based on the achievement of a certain corporate financial objective established by our compensation committee. The target bonus opportunity established for each NEO for 2023 was as follows: Mr. Feldman, $250,000; Mr. Mallick, $175,000; and Mr. Maslowski, $100,000. In August 2023, Mr. Mallick's annual target bonus opportunity was increased to $200,000.

In January 2024, our compensation committee determined the corporate financial objective was achieved under our annual performance-based cash bonus program and approved the following bonuses for our NEOs based on 2023 performance: Mr. Feldman, $342,500; Mr. Mallick, $187,500; and Mr. Maslowski, $100,000. The annual bonus approved for Mr. Feldman included an adjustment above achievement of the corporate financial objective of $92,500 based on our compensation committee's overall assessment of Mr. Feldman's performance during 2023.

For 2024, our compensation committee adopted a similar annual performance-based cash bonus program.

Our board of directors and compensation committee may adjust annual target bonus opportunities or award discretionary bonuses from time to time.

Equity-Based Compensation

We have granted stock options and RSUs to our NEOs to attract and retain them, as well as to align their interests with the interests of our stockholders. Our stock options are generally exercisable prior to vesting (with any unvested shares subject to repurchase at the original exercise price upon any termination of service) and generally vest over one, three or four years, subject to continued service to the company. Our RSUs generally require satisfaction of both a service-based vesting condition, which is generally satisfied over a four-year period, and a liquidity-based vesting condition, which will be satisfied upon completion of this offering.

In February 2023, we granted Mr. Feldman an option to purchase 150,000 shares of our common stock and 23,438 RSUs. The RSUs were granted in satisfaction of Mr. Feldman's 2022 performance-based bonus and will fully vest upon completion of this offering or, if earlier, the date of a change in control. The option was immediately exercisable and vests in substantially equal monthly installments over four years from January 1, 2023, subject to Mr. Feldman's continued service. Vesting of the option is accelerated in full in the event Mr. Feldman's employment is terminated by us without cause or Mr. Feldman for good reason during the period commencing three months prior to a change in control and ending 12 months following the closing of the change in control. The option has a term of 10 years, subject to earlier termination upon a termination of employment, and an exercise price per share of $5.02.

In February 2023, we granted each of Mr. Mallick and Mr. Maslowski an option to purchase 200,000 shares of our common stock. Each option was immediately exercisable and vests in substantially equal monthly installments over four years from January 1, 2023, subject to the executive's continued service. Vesting of each option is accelerated in full in the event the executive's employment is terminated by us without cause or the executive for good reason during the period commencing three months prior to a change in control and ending 12 months following the closing of the change in control. Each option has a term of 10 years, subject to earlier termination upon a termination of employment, and an exercise price per share of $5.02.

In August 2023, we granted Mr. Mallick three additional options, each providing Mr. Mallick the right to purchase 35,000 shares of our common stock for an exercise price of $5.02 per share. Each option was immediately exercisable and vests in 12 substantially equal monthly installments from August 1, 2023, 2024, and 2025, respectively, such that each option will be fully vested on the first anniversary of the applicable vesting start date. For each option, Mr. Mallick may choose between keeping the option or giving up the option in return for a cash bonus of $300,000. If the bonus is chosen, the applicable option will terminate. Otherwise, each option has a term of 10 years, subject to earlier termination upon a termination of employment.

In connection with this offering, we intend to adopt a 2024 Incentive Award Plan, referred to below as the 2024 Plan, in order to facilitate the grant of cash and equity incentives to employees (including our NEOs), directors, and consultants of our company and certain of our affiliates and to enable us to obtain and retain services of these individuals, which is essential to our long-term success. We expect that the 2024 Plan will become effective on the business day immediately prior to the date of effectiveness of the registration statement of which this prospectus forms a part, subject to approval of such plan by our stockholders. For additional information about the 2024 Plan, please see the section titled "Equity Compensation Plans" below.

Other Elements of Compensation

Retirement Savings and Health and Welfare Benefits

We currently maintain a 401(k) retirement savings plan for our employees, including our NEOs, who satisfy certain eligibility requirements. Our NEOs are eligible to participate in the 401(k) plan on the same terms as other full-time employees. The U.S. Internal Revenue Code of 1986, as amended (the "Code") allows eligible employees to defer a portion of their compensation, within prescribed limits, on a pre-tax basis through contributions to the 401(k) plan. We believe that providing a vehicle for tax-deferred retirement savings though our 401(k) plan adds to the overall desirability of our executive compensation package and further incentivizes our employees, including our NEOs, in accordance with our compensation policies.

All of our full-time employees, including our NEOs, are eligible to participate in our health and welfare plans, including medical, dental, and vision benefits; medical and dependent care flexible spending accounts; short-term and long-term disability insurance; and life and accidental death and dismemberment insurance.

Perquisites and Other Personal Benefits

We provide perquisites and other personal benefits to our NEOs when we believe it is necessary to attract or retain the NEO. None of our NEOs received any perquisites during 2023.

Outstanding Equity Awards at Year End

The following table lists all outstanding equity awards held by our NEOs as of December 31, 2023.

			Option Awards[1][2]				Stock Awards[3]	
Name	Vesting Commencement Date		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)[3]
Andrew D. Feldman	2/15/2019		1,150,000		2.40	5/13/2029		
	3/1/2022	[4]	262,500	337,500	2.72	12/7/2030		
	1/1/2023	[4]	45,833	104,167	7.89	1/11/2032		
	1/1/2023	[4]	34,375	115,625	5.02	2/13/2033		
	2/14/2023	[5]					23,438	128,440
Dhiraj Mallick	6/28/2018		469,410		$ 0.98	7/16/2028		
	6/28/2021	[6]	166,666	33,334	$ 2.72	7/6/2030		
	6/15/2021	[4]	62,500	37,500	$ 2.89	3/14/2031		
	10/1/2021	[7]					325,000	1,781,000
	8/23/2022	[4]	100,000	200,000	$ 6.47	8/22/2032		
	1/1/2023	[4]	45,833	154,167	$ 5.02	2/13/2033		
	8/1/2023	[8]	11,666	23,334	$ 5.02	7/31/2033		
	8/1/2024	[8]		35,000	$ 5.02	7/31/2033		
	8/1/2025	[8]		35,000	$ 5.02	7/31/2033		
	8/1/2023	[9]					700,000	3,836,000
Anthony E. Maslowski	1/28/2020	[10]					14,867	81,471
	1/1/2023	[6]	30,555	69,445	$ 7.89	1/11/2032		
	1/1/2023	[4]	45,833	154,167	$ 5.02	2/13/2033		

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(1) Each option is exercisable as to all shares underlying the option with any shares purchased upon exercise subject to the same vesting conditions applicable to the option. In the event of any termination of employment, unvested shares may be repurchased by us for the exercise price of the related option. The portion of the option included under the "Number of Securities Underlying Unexercised Options Unexercisable" represents the unvested portion of the option notwithstanding that it is fully exercisable.

(2) Except as otherwise provided, each option vests at a rate of 25% of the shares underlying the option on the first anniversary of the vesting commencement date and as to 1/48th of the shares underlying the option on each monthly anniversary of the vesting commencement date thereafter, in each case, subject to the executive continuing to provide services to us through the applicable vesting date.

(3) Amount reported calculated by multiplying $5.48, which our board of directors determined equaled fair market value of our common stock as of December 31, 2023, by the number of unvested shares comprising or underlying the stock award.

(4) The option vests as to 1/48th of the shares underlying the option on each monthly anniversary of the vesting commencement date, subject to the executive continuing to provide services to us through the applicable vesting date.

(5) The RSUs vest upon the completion of this offering, subject to the executive continuing to provide services to us through such completion.

(6) The option vests as to 1/36th of the shares underlying the option on each monthly anniversary of the vesting commencement date, subject to the executive continuing to provide services to us through the applicable vesting date.

(7) Each RSU vests on the date both service-based and liquidity-based vesting conditions are satisfied. The service-based vesting condition is satisfied as to 1/48th of the total number of RSUs on each monthly anniversary of the

vesting commencement date, subject to the executive continuing to provide services through the applicable date. The liquidity-based vesting condition will be satisfied upon the completion of this offering.

(8) The option vests as to 1/12th of the shares underlying the option on each monthly anniversary of the vesting commencement date, subject to the executive continuing to provide services to us through the applicable vesting date.

(9) Each RSU vests on the date both service-based and liquidity-based vesting conditions are satisfied. The service-based vesting condition is satisfied as to 1/36th of the total number of RSUs on each monthly anniversary of the vesting commencement date, subject to the executive continuing to provide services through the applicable date. The liquidity-based vesting condition will be satisfied upon the completion of this offering.

(10) Constitutes restricted stock acquired upon exercise of an option prior to vesting, which are subject to repurchase at the original exercise price upon any termination of service. The restricted stock vests in full on January 28, 2024, subject to the executive continuing to provide services through such date.

Executive Compensation Arrangements

We are party to offer letters with each of our NEOs, other than Mr. Feldman. Each offer letter provides for an initial base salary, target bonus opportunity, two initial stock option grants with accelerated vesting of the two option grants in the event of certain terminations of employment in connection with a change in control, and participation in our benefits plans.

Mr. Maslowski began serving as our Chief Financial Officer in January 2020 and ceased serving as our Chief Financial Officer on March 15, 2024. In February 2024, we entered into a separation agreement with Mr. Maslowski after a commitment to an extended tenure was not reached. Under the separation agreement, in exchange for a general release of claims against us and our affiliates, we paid Mr. Maslowski $225,000, which constituted six months of his base salary at the rate in effect as of his date of termination and 50% of his target bonus opportunity. The separation agreement also provided Mr. Maslowski with access to COBRA coverage for 36 months from his separation date, and (i) for the first 24 months of such period, the premiums will be paid for by us and (ii) for the remaining 12 months of such period, Mr. Maslowski will be responsible for payment of the full premiums. The separation agreement also provided Mr. Maslowski with the full vesting acceleration of each of his outstanding stock options and shares of restricted stock, up to 12 months to exercise the stock option granted to him in February 2023, and up to 18 months to exercise the stock option granted to him in January 2022.

Equity Compensation Plans

The following summarizes the material terms of the long-term incentive compensation plan and employee stock purchase plan in which our NEOs will be eligible to participate following this offering and our existing equity plans, under which we have previously made periodic grants of equity and equity-based awards to our NEOs and other employees.

2024 Incentive Award Plan

We intend to adopt the 2024 Plan, which will become effective on the business day immediately prior to the date of effectiveness of the registration statement of which this prospectus forms a part. The principal purpose of the 2024 Plan is to attract, retain and motivate selected employees, directors, and consultants through the granting of stock-based compensation awards and cash-based performance bonus awards. The material terms of the 2024 Plan, as it is currently contemplated, are summarized below.

Share Reserve. Under the 2024 Plan, shares of our common stock will be initially reserved for issuance pursuant to a variety of stock-based compensation awards, including stock options, stock appreciation rights ("SARs"), restricted stock awards, RSU awards, and other stock-based awards. The number of shares initially reserved for issuance or transfer pursuant to awards under the 2024 Plan will be increased by (i) the number of shares represented by awards outstanding under the 2016 Plan, that become available for issuance under the counting provisions described below following the effective date and (ii) an annual increase on the first day of each fiscal year beginning in 2025 and ending in 2034, equal to the lesser of (A) 5% of the shares of our common stock

outstanding (on an as converted basis) on the last day of the immediately preceding fiscal year and (B) such smaller number of shares of stock as determined by our board of directors; provided, however, that no more than shares of stock may be issued upon the exercise of incentive stock options.

The following counting provisions will be in effect for the share reserve under the 2024 Plan:

- to the extent that an award (including an award granted under the 2016 Plan (a "Prior Plan Award")) terminates, expires, or lapses for any reason or an award is settled in cash without the delivery of shares, any shares subject to the award at such time will be available for future grants under the 2024 Plan;
- to the extent shares are tendered or withheld to satisfy the grant, exercise price, or tax withholding obligation with respect to any award under the 2024 Plan or Prior Plan Award, such tendered or withheld shares will be available for future grants under the 2024 Plan;
- to the extent shares subject to stock appreciation rights are not issued in connection with the stock settlement of stock appreciation rights on exercise thereof, such shares will be available for future grants under the 2024 Plan;
- to the extent that shares of our common stock are repurchased by us prior to vesting so that shares are returned to us, such shares will be available for future grants under the 2024 Plan;
- the payment of dividend equivalents in cash in conjunction with any outstanding awards or Prior Plan Awards will not be counted against the shares available for issuance under the 2024 Plan; and
- to the extent permitted by applicable law or any exchange rule, shares issued in assumption of, or in substitution for, any outstanding awards of any entity acquired in any form of combination by us or any of our subsidiaries will not be counted against the shares available for issuance under the 2024 Plan.

In addition, the sum of the grant date fair value of all equity-based awards and the maximum that may become payable pursuant to all cash-based awards to any individual for services as a non-employee director during any calendar year may not exceed $.

Administration. The compensation committee of our board of directors is expected to administer the 2024 Plan unless our board of directors assumes authority for administration. The compensation committee must consist of at least three members of our board of directors, each of whom is intended to qualify as a "non-employee director" for purposes of Rule 16b-3 under the Exchange Act and an "independent director" within the meaning of the rules of the applicable stock exchange, or other principal securities market on which shares of our common stock are traded. The 2024 Plan provides that our board of directors or compensation committee may delegate its authority to grant awards to employees other than executive officers and certain senior executives of the company to a committee consisting of one or more members of our board of directors or one or more of our officers, other than awards made to our non-employee directors, which must be approved by our full board of directors.

Subject to the terms and conditions of the 2024 Plan, the administrator has the authority to select the persons to whom awards are to be made, to determine the number of shares to be subject to awards and the terms and conditions of awards, and to make all other determinations and to take all other actions necessary or advisable for the administration of the 2024 Plan. The administrator is also authorized to adopt, amend or rescind rules relating to administration of the 2024 Plan. Our board of directors may at any time remove the compensation committee as the administrator and revest in itself the authority to administer the 2024 Plan. The full board of directors will administer the 2024 Plan with respect to awards to non-employee directors.

Eligibility. Awards under the 2024 Plan may be granted to individuals who are then our officers, employees, or consultants or are the officers, employees, or consultants of certain of our subsidiaries. Such awards also may be granted to our directors. Only employees of our company or certain of our subsidiaries may be granted incentive stock options.

Awards. The 2024 Plan provides that the administrator may grant or issue stock options, SARs, restricted stock, RSUs, other stock- or cash-based awards and dividend equivalents, or any combination thereof. Each award will be set forth in a separate agreement with the person receiving the award and will indicate the type, terms, and conditions of the award.

- *Nonstatutory Stock Options* ("NSOs") will provide for the right to purchase shares of our common stock at a specified price which may not be less than fair market value on the date of grant, and usually will become exercisable (at the discretion of the administrator) in one or more installments after the grant date, subject to the participant's continued employment or service with us and/or subject to the satisfaction of corporate performance targets and individual performance targets established by the administrator. NSOs may be granted for any term specified by the administrator that does not exceed ten years.

- *Incentive Stock Options* ("ISOs") will be designed in a manner intended to comply with the provisions of Section 422 of the Code and will be subject to specified restrictions contained in the Code. Among such restrictions, ISOs must have an exercise price of not less than the fair market value of a share of common stock on the date of grant, may only be granted to employees, and must not be exercisable after a period of ten years measured from the date of grant. In the case of an ISO granted to an individual who owns (or is deemed to own) at least 10% of the total combined voting power of all classes of our capital stock, the 2024 Plan provides that the exercise price must be at least 110% of the fair market value of a share of common stock on the date of grant and the ISO must not be exercisable after a period of five years measured from the date of grant.

- *Restricted Stock* may be granted to any eligible individual and made subject to such restrictions as may be determined by the administrator. Restricted stock, typically, may be forfeited for no consideration or repurchased by us at the original purchase price if the conditions or restrictions on vesting are not met. In general, restricted stock may not be sold or otherwise transferred until restrictions are removed or expire. Purchasers of restricted stock, unlike recipients of options, will have voting rights and will have the right to receive dividends, if any, prior to the time when the restrictions lapse, however, extraordinary dividends will generally be placed in escrow, and will not be released until restrictions are removed or expire.

- *RSUs* may be awarded to any eligible individual, typically without payment of consideration, but subject to vesting conditions based on continued employment or service or on performance criteria established by the administrator. Like restricted stock, RSUs may not be sold, or otherwise transferred or hypothecated, until vesting conditions are removed or expire. Unlike restricted stock, stock underlying RSUs will not be issued until the RSUs have vested, and recipients of RSUs generally will have no voting or dividend rights prior to the time when vesting conditions are satisfied.

- *SARs* may be granted in connection with stock options or other awards, or separately. SARs granted in connection with stock options or other awards typically will provide for payments to the holder based upon increases in the price of our common stock over a set exercise price. The exercise price of any SAR granted under the 2024 Plan must be at least 100% of the fair market value of a share of our common stock on the date of grant. SARs under the 2024 Plan will be settled in cash or shares of our common stock, or in a combination of both, at the election of the administrator.

- *Other Stock or Cash Based Awards are awards* of cash, fully vested shares of our common stock and other awards valued wholly or partially by referring to, or otherwise based on, shares of our common stock. Other stock- or cash-based awards may be granted to participants and may also be available as a payment form in the settlement of other awards, as standalone payments and as payment in lieu of base salary, bonus, fees or other cash compensation otherwise payable to any individual who is eligible to receive awards. The administrator will determine the terms and conditions of other stock- or cash-based awards, which may include vesting conditions based on continued service, performance and/or other conditions.

- *Dividend Equivalents* represent the right to receive the equivalent value of dividends paid on shares of our common stock and may be granted alone or in tandem with awards other than stock options or SARs.

Dividend equivalents are credited as of dividend payments dates during the period between a specified date and the date such award terminates or expires, as determined by the administrator. In addition, dividend equivalents with respect to shares covered by a performance award will only be paid to the participant at the same time or times and to the same extent that the vesting conditions, if any, are subsequently satisfied and the performance award vests with respect to such shares.

Any award may be granted as a performance award, meaning that the award will be subject to vesting and/or payment based on the attainment of specified performance goals.

Change in Control. In the event of a change in control, unless the administrator elects to terminate an award in exchange for cash, rights, or other property, or cause an award to accelerate in full prior to the change in control, such award will continue in effect or be assumed or substituted by the acquirer, provided that any performance-based portion of the award will be subject to the terms and conditions of the applicable award agreement. In the event the acquirer refuses to assume or replace awards granted, prior to the completion of such transaction, awards issued under the 2024 Plan will be subject to accelerated vesting such that 100% of such awards will become vested and exercisable or payable, as applicable. The administrator may also make appropriate adjustments to awards under the 2024 Plan and is authorized to provide for the acceleration, cash-out, termination, assumption, substitution or conversion of such awards in the event of a change in control or certain other unusual or nonrecurring events or transactions.

Adjustments of Awards. In the event of any stock dividend or other distribution, stock split, reverse stock split, reorganization, combination or exchange of shares, merger, consolidation, split-up, spin-off, recapitalization, repurchase, or any other corporate event affecting the number of outstanding shares of our common stock or the share price of our common stock that would require adjustments to the 2024 Plan or any awards under the 2024 Plan in order to prevent the dilution or enlargement of the potential benefits intended to be made available thereunder, the administrator will make appropriate, proportionate adjustments to: (i) the aggregate number and type of shares subject to the 2024 Plan; (ii) the number and kind of shares subject to outstanding awards and terms and conditions of outstanding awards (including, without limitation, any applicable performance targets or criteria with respect to such awards); and (iii) the grant or exercise price per share of any outstanding awards under the 2024 Plan.

Amendment and Termination. The administrator may terminate, amend or modify the 2024 Plan at any time and from time to time. However, we must generally obtain stockholder approval to the extent required by applicable law, rule or regulation (including any applicable stock exchange rule). Notwithstanding the foregoing, an option may be amended to reduce the per share exercise price below the per share exercise price of such option on the grant date and options may be granted in exchange for, or in connection with, the cancellation or surrender of options having a higher per share exercise price without receiving additional stockholder approval.

No ISOs may be granted pursuant to the 2024 Plan after the tenth anniversary of the effective date of the 2024 Plan, and no additional annual share increases to the 2024 Plan's aggregate share limit will occur from and after such anniversary. Any award that is outstanding on the termination date of the 2024 Plan will remain in force according to the terms of the 2024 Plan and the applicable award agreement.

2016 Equity Incentive Plan

We currently maintain the 2016 Plan, which became effective on May 5, 2016 upon its adoption by our board of directors and approval of our stockholders. Following this offering and in connection with the effectiveness of our 2024 Plan, the 2016 Plan will terminate and no further awards will be granted under the 2016 Plan. However, all outstanding awards will continue to be governed by their existing terms.

Administration. Our board of directors, the compensation committee, or another committee thereof appointed by our board of directors, has the authority to administer the 2016 Plan and the awards granted under it. The administrator has the authority to select the service providers to whom awards will be granted under the 2016 Plan, the number of shares to be subject to those awards under the 2016 Plan, and the terms and conditions of the awards granted. In addition, the administrator has the authority to construe and interpret the 2016 Plan and to adopt rules for

the relating to the 2016 Plan and exercise such other powers that it deems necessary and desirable to promote the bests interests of the company and that are consistent with the terms of the 2016 Plan.

Share Reserve. We have reserved an aggregate of 65,711,838 shares of our common stock for issuance under the 2016 Plan. As of June 30, 2024, options to purchase a total of shares of our common stock were outstanding, shares of restricted stock acquired upon exercise of options prior to vesting were outstanding, RSUs covering shares of our common stock were outstanding, and shares remained available for future grants.

Awards. The 2016 Plan provides that the administrator may grant or issue options, including ISOs and NSOs, restricted stock, and RSUs to employees, directors, and consultants, provided that only employees may be granted ISOs.

- *Stock Options.* The 2016 Plan provides for the grant of ISOs or NSOs. ISOs may be granted only to employees. NSOs may be granted to employees, directors, or consultants. The exercise price of ISOs granted to employees who at the time of grant own stock representing more than 10% of the voting power of all classes of our common stock may not be less than 110% of the fair market value per share of our common stock on the date of grant, and the exercise price of ISOs granted to any other employees may not be less than 100% of the fair market value per share of our common stock on the date of grant. The exercise price of NSOs to employees, directors, or consultants may not be less than 100% of the fair market value per share of our common stock on the date of grant.

- *Restricted Stock*. The 2016 Plan provides for the grant of restricted stock. Each share of restricted stock that is accepted will be governed by a restricted stock purchase agreement, which will detail the restrictions on transferability, risk of forfeiture, and other restrictions the administrator approves. In general, restricted stock acquired upon exercise of a stock purchase right may not be sold, transferred, pledged, hypothecated, margined, or otherwise encumbered until restrictions are removed or expire. Holders of restricted stock, unlike recipients of stock options, will have voting rights and will have the right to receive dividends, if any, prior to the time when the restrictions lapse.

- *RSUs*. The 2016 Plan provides for the grant of RSUs. Each RSU represents the unfunded, unsecured right to receive a share of our common stock or an amount of cash or other consideration equal to the fair market value of a share of our common stock. The terms of each award of RSUs are set forth in a RSU agreement.

- *SARs.* The 2016 Plan provides for the grant of SARs. SARs may be settled in cash or shares (which may consist of restricted stock or RSUs or a combination thereof, having a value equal to multiplying the difference between the fair market value on the date of exercise over the exercise price and the number of shares with respect to which the SARs are being exercised). All grants of SARs made will be evidenced by an award agreement.

Adjustments of Awards. In the event of any dividend or other distribution, reorganization, merger, consolidation, combination, repurchase, liquidation, dissolution, or sale, transfer, exchange, or other disposition of substantially all of our assets, or exchange of shares or other similar corporate transaction or event, the administrator will make adjustments to the number and class of shares available for issuance under the 2016 Plan and the number, class, and price of shares subject to outstanding awards, in order to prevent dilution or enlargement of benefits.

Change in Control. In the event of a change in control, any outstanding awards acquired under the 2016 Plan shall be subject to the agreement evidencing the change of control. The successor or acquiring entity may elect for such outstanding awards to be assumed or substituted. Otherwise, in the event of a merger or change in control, the change of control agreement has broad discretion to determine the treatment of each outstanding award, including providing for awards to terminate or accelerate or for awards to terminate in exchange for cash or other property.

Amendment and Termination. Our board of directors may amend or terminate the 2016 Plan or any portion thereof at any time. However, no amendment may impair the rights of a holder of an outstanding option grant

without the holder's consent, and any action by our board of directors to increase the number of shares subject to the plan or extend the term of the plan is subject to the approval of our stockholders. Additionally, an amendment of the plan shall be subject to the approval of our stockholders, where such approval by our stockholders of an amendment is required by applicable law. Following this offering and in connection with the effectiveness of our 2016 Plan, the 2016 Plan will terminate and no further awards will be granted under the 2016 Plan.

Employee Stock Purchase Plan

We intend to adopt the ESPP, which will become effective on the business day immediately prior to the date of effectiveness of the registration statement of which this prospectus forms a part. The ESPP is designed to allow our eligible employees to purchase shares of our common stock, at periodic intervals, with their accumulated payroll deductions. The ESPP is intended to qualify under Section 423 of the Code. The material terms of the ESPP, as it is currently contemplated, are summarized below.

Administration. Subject to the terms and conditions of the ESPP, our compensation committee will administer the ESPP. Our compensation committee can delegate administrative tasks under the ESPP to the services of an agent and/or employees to assist in the administration of the ESPP. The administrator will have the discretionary authority to administer and interpret the ESPP. Interpretations and constructions of the administrator of any provision of the ESPP or of any rights thereunder will be conclusive and binding on all persons. We will bear all expenses and liabilities incurred by the ESPP administrator.

Share Reserve. The maximum number of our shares of our common stock that will be authorized for sale under the ESPP is equal to the sum of (i) shares of common stock and (ii) an annual increase on the first day of each fiscal year beginning in 2025 and ending in 2034, equal to the lesser of (A) % of the shares of common stock outstanding (on an as converted basis) on the last day of the immediately preceding fiscal year and (B) such number of shares of common stock as determined by our board of directors; provided, however, no more than shares of our common stock may be issued under the ESPP. The shares reserved for issuance under the ESPP may be authorized but unissued shares or reacquired shares.

Eligibility. Employees eligible to participate in the ESPP for a given offering period generally include employees who are employed by us or one of our subsidiaries on the first day of the offering period. Our employees (and, if applicable, any employees of our subsidiaries) who customarily work less than five months in a calendar year or are customarily scheduled to work less than 20 hours per week will not be eligible to participate in the ESPP. Finally, an employee who owns (or is deemed to own through attribution) 5% or more of the combined voting power or value of all our classes of stock or of one of our subsidiaries will not be allowed to participate in the ESPP.

Participation. Employees will enroll under the ESPP by completing a payroll deduction form permitting the deduction from their compensation of at least 1% of their compensation but not more than 15% of their base compensation. Such payroll deductions may be expressed as either a whole number percentage or a fixed dollar amount, and the accumulated deductions will be applied to the purchase of shares on each purchase date. However, a participant may not purchase more than 100,000 shares in each offering period and may not accrue the right to purchase shares of common stock at a rate that exceeds $25,000 in fair market value of shares of our common stock (determined at the time the option is granted) for each calendar year the option is outstanding (as determined in accordance with Section 423 of the Code). The ESPP administrator has the authority to change these limitations for any subsequent offering period.

Offering. Under the ESPP, participants are offered the option to purchase shares of our common stock at a discount during a series of successive offering periods, the duration and timing of which will be determined by the ESPP administrator. However, in no event may an offering period be longer than 27 months in length.

The option purchase price will be the lower of 85% of the closing trading price per share of our common stock on the first trading date of an offering period in which a participant is enrolled or 85% of the closing trading

price per share on the purchase date, which will occur on the last trading day of each purchase period within an offering period.

Unless a participant has previously cancelled his or her participation in the ESPP before the purchase date, the participant will be deemed to have exercised his or her option in full as of each purchase date. Upon exercise, the participant will purchase the number of whole shares that his or her accumulated payroll deductions will buy at the option purchase price, subject to the participation limitations listed above.

A participant may cancel his or her payroll deduction authorization at any time prior to the end of the offering period. Upon cancellation, the participant will have the option to either (i) receive a refund of the participant's account balance in cash without interest or (ii) exercise the participant's option for the current offering period for the maximum number of shares of common stock on the applicable purchase date, with the remaining account balance refunded in cash without interest. Following at least one payroll deduction, a participant may also decrease (but not increase) his or her payroll deduction authorization once during any offering period. If a participant wants to increase or decrease the rate of payroll withholding, he or she may do so effective for the next offering period by submitting a new form before the offering period for which such change is to be effective.

A participant may not assign, transfer, pledge or otherwise dispose of (other than by will or the laws of descent and distribution) payroll deductions credited to a participant's account or any rights to exercise an option or to receive shares of our common stock under the ESPP, and during a participant's lifetime, options in the ESPP shall be exercisable only by such participant. Any such attempt at assignment, transfer, pledge, or other disposition will not be given effect.

Adjustments upon Changes in Recapitalization, Dissolution, Liquidation, Merger, or Asset Sale. In the event of any increase or decrease in the number of issued shares of our common stock resulting from a stock split, reverse stock split, stock dividend, combination, or reclassification of the common stock, or any other increase or decrease in the number of shares of common stock effected without receipt of consideration by us, we will proportionately adjust the aggregate number of shares of our common stock offered under the ESPP, the number and price of shares which any participant has elected to purchase under the ESPP and the maximum number of shares which a participant may elect to purchase in any single offering period. If there is a proposal to dissolve or liquidate us, then the ESPP will terminate immediately prior to the consummation of such proposed dissolution or liquidation, and any offering period then in progress will be shortened by setting a new purchase date to take place before the date of our dissolution or liquidation. We will notify each participant of such change in writing prior to the new exercise date. If we undergo a merger with or into another corporation or sell all or substantially all of our assets, each outstanding option will be assumed or an equivalent option substituted by the successor corporation or the parent or subsidiary of the successor corporation. If the successor corporation refuses to assume the outstanding options or substitute equivalent options, then any offering period then in progress will be shortened by setting a new purchase date to take place before the date of our proposed sale or merger. We will notify each participant of such change in writing prior to the new exercise date.

Amendment and Termination. Our board of directors may amend, suspend, or terminate the ESPP at any time. However, the board of directors may not amend the ESPP without obtaining stockholder approval within 12 months before or after such amendment to the extent required by applicable laws.

Director Compensation

For the year ended December 31, 2023, we did not have a formalized non-employee director compensation program, and none of our non-employee directors was paid cash compensation or granted an option or stock award in connection with the non-employee director's service to us during 2023.

In connection with this offering, we intend to adopt a non-employee director compensation program that will provide for annual retainers for board and committee service and the automatic grant of initial and annual equity awards.

Under our non-employee director compensation program (the "Director Compensation Program") that will become effective upon the completion of this offering, our non-employee directors will receive cash compensation, paid quarterly in arrears, as follows:

- Each non-employee director will receive a cash retainer in the amount of $ per year.
- The non-employee chair of our board of directors will receive an additional cash retainer in the amount of $ per year.
- The chair of the Audit Committee receives a cash retainer in the amount of $ per year for such chairperson's service on the Audit Committee. Each non-chairperson member of the Audit Committee receives a cash retainer in the amount of $ per year for such member's service on the Audit Committee.
- The chair of the Compensation Committee will receive a cash retainer in the amount of $ per year for such chairperson's service on the Compensation Committee. Each non-chairperson member of the Compensation Committee receives a cash retainer in the amount of $ per year for such member's service on the Compensation Committee.
- The chair of the Nominating and Corporate Governance Committee will receive a cash retainer in the amount of $ per year for such chairperson's service on the Nominating and Corporate Governance committee. Each non-chairperson member of the Nominating and Corporate Governance committee will receive a cash retainer in the amount of $ per year for such member's service on the Nominating and Corporate Governance committee.

Under the Director Compensation Program, each non-employee director on the date the non-employee director is appointed to our board of directors will automatically be granted that number of RSUs (the "Initial Grant") under the 2024 Plan determined by dividing $ by the closing trading price of a share of our common stock on the date of grant. The Initial Grant will vest in substantially equal quarterly installments over three years, subject to continued service through the applicable vesting date. In addition, on the date of each annual meeting of our stockholders, each non-employee director who will continue to serve as a non-employee director immediately following such annual meeting will automatically be granted that number of RSUs (the "Annual Grant") under the 2024 Plan determined by dividing $ by the closing trading price of a share of our common stock on the date of grant. The Annual Grant will vest in full on the earlier of the (i) first anniversary of the grant date and (ii) immediately prior to the annual meeting of our stockholders following the date of grant, subject to continued service through the applicable vesting date.

Pursuant to the Director Compensation Program, upon a change in control transaction, all outstanding equity awards held by our non-employee directors will vest in full.

CERTAIN RELATIONSHIPS AND RELATED-PARTY TRANSACTIONS

The following includes a summary of transactions since January 1, 2021 and any currently proposed transactions, to which we were or are to be a participant, in which (i) the amount involved exceeded or will exceed $120,000; and (ii) any of our directors, executive officers, or holders of more than 5% of our capital stock, or any affiliate or member of the immediate family of the foregoing persons or entities, had or will have a direct or indirect material interest, other than compensation and other arrangements that are described under the section titled "Executive and Director Compensation."

We believe the terms obtained or consideration that we paid or received, as applicable, in connection with the transactions described below were comparable to terms available or the amounts that we would pay or receive, as applicable, in arm's-length transactions.

Redeemable Convertible Preferred Stock Financing

In October 2021, we entered into a Series F redeemable convertible preferred stock purchase agreement with various investors pursuant to which we issued and sold an aggregate of 9,168,419 shares of our Series F redeemable convertible preferred stock at a purchase price of $27.7448 per share, for gross proceeds of $254.4 million in multiple closings through December 2021.

The table below sets forth the number of shares of our Series F redeemable convertible preferred stock purchased by holders of more than 5% of our capital stock and their affiliated entities. None of our directors or executive officers purchased shares of Series F redeemable convertible preferred stock.

Name[1]	Shares of Series F Redeemable Convertible Preferred Stock	Aggregate Purchase Price
Entities affiliated with Altimeter[2]	360,427	$ 9,999,975
Entities affiliated with Coatue[3]	360,427	$ 9,999,975
Entities affiliated with Eclipse Ventures[4]	9,010	$ 249,981

(1) See the section titled "Principal Stockholders" for additional information regarding these stockholders and their equity holdings.
(2) Entities affiliated with Altimeter collectively beneficially own more than 5% of our outstanding capital stock. Brad Gerstner, a member of our board of directors, is Chief Executive Officer of Altimeter Capital Management.
(3) Entities affiliated with Coatue collectively beneficially owned more than 5% of our outstanding capital stock at the time of the Series F redeemable convertible preferred stock financing.
(4) Entities affiliated with Eclipse Ventures collectively beneficially own more than 5% of our outstanding capital stock. Pierre Lamond, a Partner Emeritus at Eclipse Ventures, was a member of our board of directors at the time of the Series F redeemable convertible preferred stock financing. Lior Susan, a current member of our board of directors, is the Founder and Managing Partner of Eclipse Ventures.

Series F-1 Redeemable Convertible Preferred Stock Financing

In May 2024, we entered into a Series F-1 redeemable convertible preferred stock purchase agreement (as amended, the "Series F-1 Purchase Agreement") with various investors pursuant to which we agreed to issue and sell up to 28,649,385 shares of our Series F-1 redeemable convertible preferred stock at a purchase price of $14.66. In July and August 2024, various investors purchased an aggregate of 2,728,512 shares of our Series F-1 redeemable convertible preferred stock.

G42

Pursuant to the Series F-1 Purchase Agreement, an entity affiliated with Group 42 Holding Ltd (together with its affiliates, "G42") agreed, subject to regulatory approval, to purchase 22,851,296 shares of our Series F-1 redeemable convertible preferred stock for an aggregate purchase price of $335.0 million. G42 will beneficially own more than 5% of our outstanding capital stock following the purchase of our Series F-1 redeemable convertible preferred stock.

We have developed a strategic relationship with G42 as a partner, customer, and investor. See the sections titled "Management's Discussion & Analysis—G42 Relationship" and "Description of Capital Stock—Series F-1 Financing—G42" for additional information.

Alpha Wave

Pursuant to the Series F-1 Purchase Agreement, Alpha Wave, an existing stockholder, agreed to purchase 3,069,577 shares of our Series F-1 redeemable convertible preferred stock for an aggregate purchase price of $45.0 million on or prior to February 28, 2025. Entities affiliated with Alpha Wave will collectively beneficially own more than 5% of our outstanding capital stock following the purchase of our Series F-1 redeemable convertible preferred stock. See the section titled "Principal Stockholders" for additional information.

Stock Repurchase and Sale

In August 2022, we (i) repurchased an aggregate of 599,880 shares of our outstanding common stock at a purchase price of $16.7525 per share, for an aggregate purchase price of $10.0 million, from certain of our stockholders, including 69,468 shares from Andrew D. Feldman, our Chief Executive Officer, President, and director, for a purchase price of $1.2 million and (ii) issued and sold to Eclipse SPV XIII, L.P, which together with its affiliated entities beneficially owns more than 5% of our outstanding capital stock, an aggregate of 599,880 shares of our common stock at a purchase price of $16.7525 per share, for gross proceeds of $10.0 million. Pierre Lamond, a Partner Emeritus at Eclipse Ventures, was a member of our board of directors. Lior Susan, a current member of our board of directors, is the Founder and Managing Partner of Eclipse Ventures.

Investors' Rights Agreement

We are party to an amended and restated investors' rights agreement which provides, among other things, that certain holders of our capital stock, including entities affiliated with Altimeter, Coatue, Foundation Capital, Benchmark, and Eclipse Ventures, each of which hold more than 5% of our outstanding capital stock, have the right to demand that we file a registration statement or request that their shares of our capital stock be included on a registration statement that we are otherwise filing. See the section titled "Description of Capital Stock—Registration Rights" for additional information regarding these registration rights.

Right of First Refusal

Pursuant to our equity compensation plans and certain agreements with our stockholders, including a right of first refusal and co-sale agreement with certain holders of our capital stock, including entities affiliated with Altimeter, Coatue, Foundation Capital, Benchmark, and Eclipse Ventures, each of which hold more than 5% of our outstanding capital stock, and Mr. Feldman we or our assignees have a right to purchase shares of our capital stock which certain stockholders propose to sell to other parties. This right under the right of first refusal and co-sale agreement will terminate upon the effectiveness of the registration statement of which this prospectus forms a part.

Since January 1, 2021, we have waived our right of first refusal in connection with secondary sales of shares of our capital stock, including sales by certain of our executive officers.

Voting Agreement

We are party to an amended and restated voting agreement under which certain holders of our capital stock, including entities affiliated with Altimeter, Coatue, Foundation Capital, Benchmark, and Eclipse Ventures, each of which hold more than 5% of our outstanding capital stock, and Mr. Feldman have agreed as to the manner in which they will vote their shares of our capital stock on certain matters, including with respect to the election of directors. Upon the effectiveness of the registration statement of which this prospectus forms a part, the voting agreement will terminate and none of our stockholders will have any special rights regarding the election or designation of members of our board of directors.

Other Transactions

We have entered into offer letter agreements with certain of our executive officers that, among other things, provide for certain compensatory and change in control benefits. For a description of these agreements with our named executive officers, see the subsection titled "Executive and Director Compensation—Executive Compensation Arrangements."

We have also granted stock options, RSUs, and restricted stock to our executive officers. For a description of these equity awards, see the subsection titled "Executive and Director Compensation—Outstanding Equity Awards at Year End."

Director and Officer Indemnification

We have entered into indemnification agreements with certain of our current executive officers and directors, and intend to enter into new indemnification agreements with each of our current executive officers and directors before the completion of this offering.

Our amended and restated certificate of incorporation also provides that, to the fullest extent permitted by law, we will indemnify any officer or director of our company against all damages, claims, and liabilities arising out of the fact that the person is or was our officer or director, or served any other enterprise at our request as an officer or director. Amending this provision will not reduce our indemnification obligations relating to actions taken before an amendment.

Related Person Transaction Policy

We have a written related person transaction policy, to be effective upon the completion of this offering, that applies to our executive officers, directors, director nominees, holders of more than 5% of any class of our voting securities and any member of the immediate family of, and any entity affiliated with, any of the foregoing persons. Such persons will not be permitted to enter into a related person transaction with us without the prior consent of our audit committee, or other independent members of our board of directors in the event it is inappropriate for our audit committee to review such transaction due to a conflict of interest. Any request for us to enter into a transaction with an executive officer, director, director nominee, principal stockholder, or any of their immediate family members or affiliates, in which the amount involved exceeds $120,000 must first be presented to our audit committee for review, consideration, and approval. In approving or rejecting any such proposal, our audit committee will consider the relevant facts and circumstances available and deemed relevant to our audit committee, including, but not limited to, the commercial reasonableness of the terms of the transaction and the materiality and character of the related person's direct or indirect interest in the transaction. All of the transactions described in this section occurred prior to the adoption of this policy.

PRINCIPAL STOCKHOLDERS

The following table contains information about the beneficial ownership of our common stock as of , 2024, (i) immediately prior to the consummation of this offering and (ii) as adjusted to the sale of shares of our common stock offered by this prospectus by:

- each person, or group of persons, known to us who beneficially owns more than 5% of our capital stock;
- each of our directors;
- each of our named executive officers; and
- all directors and executive officers as a group.

We have based percentage ownership of our common stock before this offering on shares of our common stock outstanding, in each case, as of , 2024, and assumes the occurrence of each of the filing and effectiveness of our amended and restated certificate of incorporation, which will be in effect immediately prior to the completion of this offering, and the Preferred Stock Conversion in each case as if it had occurred as of , 2024. Percentage ownership of our common stock after this offering assumes our sale of shares of common stock in this offering, assuming no exercise by the underwriters of their option to purchase additional shares of common stock.

In accordance with the rules of the SEC, beneficial ownership includes voting or investment power with respect to securities and includes the shares issuable pursuant to stock options that are exercisable within 60 days of , 2024 or issuable pursuant to RSUs which are subject to vesting and settlement conditions expected to occur within 60 days of , 2024 (including those for which the liquidity-based vesting condition will be satisfied in connection with this offering). Shares issuable pursuant to stock options are deemed outstanding for computing the percentage of the person holding such options but are not outstanding for computing the percentage of any other person.

For further information regarding material transactions between us and certain of our stockholders, see the section titled "Certain Relationships and Related-Party Transactions." Unless otherwise indicated, the address for each listed stockholder is: c/o Cerebras Systems Inc., 1237 E. Arques Avenue, Sunnyvale, California 94085. Except as indicated in the footnotes to the following table or pursuant to applicable community property laws, we believe, based on information furnished to us, that each stockholder named in the table has sole voting and investment power with respect to the shares set forth opposite such stockholder's name.

	Shares Beneficially Owned Before this Offering		Shares Beneficially Owned After this Offering	
Name of Beneficial Owner	**Shares**	**%**	**Shares**	**%**
Named Executive Officers and Directors:				
Andrew D. Feldman[1]				
Dhiraj Mallick[2]				
Anthony E. Maslowski[3]				
Paul Auvil[4]				
Glenda Dorchak[5]				
Brad Gerstner[6]				
Lior Susan[7]				
Eric Vishria[8]				
Steve Vassallo[9]				
All executive officers and directors as a group (10 persons)[10]				

Other 5% or Greater Stockholders:

Entities affiliated with Alpha Wave[11]
Entities affiliated with Altimeter[12]
Entities affiliated with Benchmark[13]
Entities affiliated with Eclipse Ventures[14]
Entities affiliated with Foundation Capital[15]

* Represents beneficial ownership of less than 1%.

(1) Represents (i) shares of common stock; (ii) shares underlying options to purchase shares of common stock that are exercisable within 60 days of , 2024; (iii) shares issuable upon settlement of RSUs that will have satisfied the service-based and liquidity-based vesting conditions in connection with this offering; and (iv) an additional shares that may be acquired upon the settlement of outstanding RSUs within 60 days of , 2024.

(2) Represents (i) shares of common stock; (ii) shares underlying options to purchase shares of common stock that are exercisable within 60 days of , 2024; (iii) shares issuable upon settlement of RSUs that will have satisfied the service-based and liquidity-based vesting conditions in connection with this offering; and (iv) an additional shares that may be acquired upon the settlement of outstanding RSUs within 60 days of , 2024.

(3) Represents (i) shares of common stock; (ii) shares of common stock held by the Anthony E. Maslowski Trust; (iii) shares of common stock held by Toobe Manka Cheng, as custodian under the California Uniform Transfers to Minors Act ("CUTMA") for Mr. Maslowski's minor child; (iv) shares of common stock held by Toobe Manka Cheng, as custodian under CUTMA for Mr. Maslowski's minor child; and (v) shares underlying options to purchase shares of common stock that are exercisable within 60 days of , 2024. Mr. Maslowski is our former Chief Financial Officer and served through March 15, 2024.

(4) Represents shares of common stock, of which shares are subject to repurchase within 60 days of , 2024.

(5) Represents (i) shares of common stock; and (ii) shares underlying options to purchase shares of common stock that are exercisable within 60 days of , 2024.

(6) See footnote (12) for shares held by the entities affiliated with Altimeter. Mr. Gerstner, founder and Chief Executive Officer of Altimeter Capital Management, is a member of our board of directors.

(7) See footnote (14) for shares held by the entities affiliated with Eclipse Ventures. Mr. Susan, the Founder and Managing Partner of Eclipse Ventures, is a member of our board of directors.

(8) See footnote (13) for shares held by the entities affiliated with Benchmark. Mr. Vishria, a general partner of Benchmark, is a member of our board of directors.

(9) See footnote (15) for shares held by the entities affiliated with Foundation Capital. Mr. Vassallo, a general partner of Foundation Capital, is a member of our board of directors.

(10) Represents (i) shares of common stock beneficially owned by our current executive officers and directors as a group; (ii) shares underlying options to purchase shares of common stock that are exercisable within 60 days of , 2024; (iii) shares issuable upon settlement of RSUs that will have satisfied the service-based and liquidity-based vesting conditions in connection with this offering; and (iv) an additional shares that may be acquired upon the settlement of outstanding RSUs within 60 days of , 2024.

(11) Represents (i) shares of common stock held by Alpha Wave Ventures II, LP ("Alpha Wave Ventures"); (ii) shares of common stock held by Alpha Wave Holdings, LP ("Alpha Wave Holdings"); (iii) shares of common stock held by Falcon Q LP ("Falcon Q," and together with Alpha Wave Ventures and Alpha Wave Holdings, "Alpha Wave"); and (iv) an additional shares of common stock that may be acquired by Alpha Wave Ventures within 60 days of , 2024. Alpha Wave Ventures GP, Ltd ("Alpha Wave Ventures GP") is the general partner of Alpha Wave Ventures and may be deemed to exercise voting and dispositive control over the shares held by Alpha Wave Ventures. Alpha Wave Ventures GP is a joint venture between Alpha Wave Global, LP ("Alpha Wave Global") and Lunate Capital Holding RSC LTD ("Lunate"). Lunate is majority owned by Chimera Investment LLC ("Chimera"). Chimera is controlled by its board of

directors. The managing partners of Lunate Capital Limited, a wholly owned investment manager subsidiary of Lunate, manage the investment activities of Lunate. Richard Gerson is the Chairman and Chief Investment Officer of Alpha Wave Global. Alpha Wave Global is the Investment Manager for Alpha Wave Holdings and Falcon Q. Mr. Gerson therefore may be deemed to exercise voting and dispositive control over the shares held by the entities affiliated with Alpha Wave. The address for all entities affiliated with Alpha Wave is c/o Alpha Wave Global, LP, 667 Madison Ave, 19th Floor, New York, New York 10065. The address for Lunate is Unit No. 1, Floor 8, 9, 10, 11, 12, Al Maryah Tower, Abu Dhabi Global Market Square, Al Maryah Island, Abu Dhabi, United Arab Emirates.

(12) Represents (i) shares of common stock held by Altimeter Growth Partners Fund III, L.P. ("Altimeter Growth Fund III"); (ii) shares of common stock held by Altimeter Growth Partners Fund IV, L.P. ("Altimeter Growth Fund IV"); (iii) shares of common stock held by Altimeter Partners Fund, L.P. ("Altimeter Partners Fund"); and (iv) shares of common stock held by Altimeter Private Partners Fund II, L.P. ("Altimeter Private Partners Fund," and together with Altimeter Growth Fund III, Altimeter Growth Fund IV, and Altimeter Partners Fund, each an "Altimeter Fund" and collectively, "Altimeter"). Mr. Gerstner is a managing member of the general partner of each of the Altimeter Funds and may be deemed to have shared voting, investment, and dispositive power with respect to the shares held by these entities. The address for all entities affiliated with Altimeter is One International Place, Suite 4610, Boston, Massachusetts 02110.

(13) Represents (i) shares of common stock held by Benchmark Capital Partners VIII, L.P. ("BCP VIII"), for itself and as nominee for Benchmark Founders' Fund VIII, L.P. ("BFF VIII") and Benchmark Founders' Fund VIII-B, L.P. ("BFF VIII-B"). Benchmark Capital Management Co. VIII, L.L.C. ("BCMC VIII") is the general partner of each of BCP VIII, BFF VIII, and BFF VIII-B and may be deemed to have sole voting and investment power with respect to such shares. Mr. Vishria, a member of our board of directors, Matthew R. Cohler, Peter H. Fenton, J. William Gurley, An-Yen Hu, Mitchell H. Lasky, Chetan Puttagunta, and Sarah E. Tavel are the managing members of BCMC VIII. The address for all entities affiliated with Benchmark is 2965 Woodside Road, Woodside, California 94062.

(14) Represents (i) shares of common stock held by Eclipse Continuity Fund I, L.P. ("Eclipse Continuity Fund"); (ii) shares of common stock held by Eclipse SPV II, L.P. ("Eclipse SPV II"); (iii) shares of common stock held by Eclipse SPV XIII, L.P. ("Eclipse SPV XIII"); and (iv) shares of common stock held by Eclipse Ventures Fund I, L.P. ("Eclipse Ventures Fund," and together with Eclipse Continuity Fund, Eclipse SPV II, and Eclipse SPV XIII, "Eclipse Ventures Entities"). Mr. Susan is the sole managing member of the general partner of each of the Eclipse Ventures Entities and may be deemed to have voting, investment, and dispositive power with respect to the shares held by such entities. The address for the Eclipse Ventures Entities is 514 High Street, Palo Alto, California 94301.

(15) Represents (i) shares of common stock held by Foundation Capital Leadership Fund II, L.P. ("Foundation Leadership Fund"); (ii) shares of common stock held by Foundation Capital VIII Principals Fund, LLC ("Foundation Capital VIII Principals"); and (iii) shares of common stock held by Foundation Capital VIII, L.P. ("Foundation Capital VIII," and together with Foundation Leadership Fund and Foundation Capital VIII Principals, "Foundation Capital"). Foundation Capital Management Co. VIII, L.L.C. is the General Partner of Foundation Capital VIII and the Manager of Foundation Capital VIII Principals and has sole voting and investment power. Ashu Garg, Paul R. Holland, Charles P. Moldow, and Steven P. Vassallo are the Managers of Foundation Capital Management Co. VIII, L.L.C. and share such powers. Foundation Capital Management Co. LF II, L.L.C. is the General Partner of Foundation Capital Leadership Fund and has sole voting and investment power. Ashu Garg, Charles P. Moldow, and Steven P. Vassallo are the Managers of Foundation Capital Management Co. LF II, L.L.C. and share such powers. The address for all entities affiliated with the Foundation Capital is 550 High Street, 3rd Floor, Palo Alto, California 94301.

DESCRIPTION OF CAPITAL STOCK

The following summary describes our capital stock and certain provisions of our amended and restated certificate of incorporation and our amended and restated bylaws, which will become effective immediately prior to the completion of this offering, the amended and restated investors' rights agreement to which we and certain of our stockholders are parties, and of the Delaware General Corporation Law. Because the following is only a summary, it does not contain all of the information that may be important to you. For a complete description, you should refer to our amended and restated certificate of incorporation, amended and restated bylaws, and amended and restated investors' rights agreement, copies of which are filed as exhibits to the registration statement of which this prospectus is part.

General

Immediately following the completion of this offering, our authorized capital stock will consist of shares of common stock, par value $0.00001 per share, and shares of undesignated preferred stock, par value $0.00001 per share.

As of June 30, 2024, after giving effect to (i) the Preferred Stock Conversion and (ii) the filing and effectiveness of our amended and restated certificate of incorporation, there were shares of our common stock outstanding, held by stockholders of record, and no shares of our preferred stock outstanding.

Common Stock

Voting Rights

Holders of our common stock are entitled to one vote for each share held on all matters submitted to a vote of stockholders.

Our amended and restated certificate of incorporation does not provide for cumulative voting for the election of directors. As a result, the holders of a majority of our voting shares can elect all of the directors then standing for election. Our amended and restated certificate of incorporation establishes a classified board of directors, to be divided into three classes with staggered three-year terms. Only one class of directors will be elected at each annual meeting of our stockholders, with the other classes continuing for the remainder of their respective three-year terms.

Dividends

Subject to preferences that may be applicable to any then outstanding preferred stock, holders of our common stock are entitled to receive dividends as may be declared from time to time by our board of directors out of legally available funds. See the section titled "Dividend Policy" for additional information.

Right to Receive Liquidation Distributions

In the event of our liquidation, dissolution, or winding up, holders of our common stock will be entitled to share ratably in the net assets legally available for distribution to stockholders after the payment of all of our debts and other liabilities, subject to the satisfaction of any liquidation preference granted to the holders of any then outstanding shares of preferred stock.

No Preemptive or Similar Rights

Our common stock is not entitled to preemptive rights and is not subject to redemption or sinking fund provisions. The rights, preferences, and privileges of the holders of our common stock will be subject to, and may be adversely affected by, the rights of the holders of shares of any series of our preferred stock that we may designate in the future.

Preferred Stock

Pursuant to the provisions of our amended and restated certificate of incorporation, each currently outstanding share of redeemable convertible preferred stock will automatically be converted into one share of common stock effective upon the completion of this offering. Following this offering, no shares of redeemable convertible preferred stock will be outstanding.

Following the completion of this offering, our board of directors will be authorized, subject to limitations prescribed by Delaware law, to issue preferred stock in one or more series, to establish from time to time the number of shares to be included in each series, and to fix the designation, powers, preferences, and rights of the shares of each series and any of its qualifications, limitations, or restrictions, in each case without further vote or action by our stockholders. Our board of directors can also increase or decrease the number of shares of any series of preferred stock, but not below the number of shares of that series then outstanding, without any further vote or action by our stockholders. Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of our common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring, or preventing a change in control of our company and might adversely affect the price of our common stock and the voting and other rights of the holders of our common stock. We have no current plans to issue any shares of preferred stock.

Stock Options

As of June 30, 2024, we had outstanding options to purchase an aggregate of shares of our common stock, with a weighted-average exercise price of $ per share, issued pursuant to the 2016 Plan.

Restricted Stock Units

As of June 30, 2024, we had outstanding RSUs representing shares of our common stock, issuable upon satisfaction of service-based and liquidity-based vesting conditions and issued pursuant to the 2016 Plan.

Warrants

As of June 30, 2024, we had an outstanding warrant to purchase an aggregate of 68,213 shares of our common stock with an exercise price of $0.00001 per share.

Series F-1 Financing

In May 2024, we entered into a Series F-1 redeemable convertible preferred stock purchase agreement (as amended, the "Series F-1 Purchase Agreement") with an entity affiliated with Group 42 Holding Ltd (together with its affiliates, "G42"), and a fund affiliated with Alpha Wave Global LP (together with its affiliates, "Alpha Wave"). Pursuant to the Series F-1 Purchase Agreement, we agreed to issue and sell up to 28,649,385 shares of our Series F-1 redeemable convertible preferred stock at a purchase price of $14.66 per share (the "Series F-1 Financing") to G42, Alpha Wave, and various other investors, and G42 and Alpha Wave committed to purchase a portion of such shares pursuant to the terms described below. In July and August 2024, various investors, excluding G42 and Alpha Wave, purchased an aggregate of 2,728,512 shares of our Series F-1 redeemable convertible preferred stock pursuant to the Series F-1 Purchase Agreement.

Each share of our Series F-1 redeemable convertible preferred stock will automatically be converted into one share of common stock effective upon the completion of this offering, and any reserve of shares of our Series F-1 redeemable convertible preferred stock for committed but not yet closed purchases in connection with the Series F-1 Financing will be converted into a reserve of shares of our common stock following the completion of this offering.

G42

Pursuant to the Series F-1 Purchase Agreement, G42 agreed to purchase 22,851,296 shares of our Series F-1 redeemable convertible preferred stock. G42's purchase of shares in the Series F-1 Financing is subject to approval by the Committee on Foreign Investment in the United States ("CFIUS") and the expiration or early termination of applicable waiting periods under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, as well as the satisfaction of customary closing conditions (the "G42 Primary Purchase").

In the event CFIUS does not approve G42's purchase of shares of our Series F-1 redeemable convertible preferred stock (or, if CFIUS approval is still pending following the completion of this offering, shares of our common stock) on or prior to February 28, 2025, we have agreed to create non-voting securities (the "Alternative Securities") that will have the same rights (other than with respect to voting) and restrictions and shall rank pari passu with our Series F-1 redeemable convertible preferred stock (or, if issued following the completion of this offering, shares of our common stock) (the "Fall-Back Provision"). If CFIUS approval is later received, each share of the Alternative Securities will be convertible at any time into one share of our common stock. If, in the course of reviewing the investment, CFIUS or the President of the United States takes any action that prevents implementation of the Fall-Back Provision, we and G42 have agreed to use reasonable best efforts to agree in good faith on a suitable economic solution that reflects the economic structure (i.e., pay-ins and pay-outs) to which G42 would have otherwise been entitled had G42 been able to purchase the Alternative Securities.

In addition, pursuant to the Series F-1 Purchase Agreement, if G42 or certain third parties (who may be affiliated or unaffiliated and under a commercial agreement with G42) purchase more than $500.0 million in one purchase order, and less than $5.0 billion in the aggregate, of high-performance computing clusters from us (the "G42 Option Threshold"), we will grant G42 the option to purchase additional shares of our Series F-1 redeemable convertible preferred stock (or, if such option is granted or exercised following the completion of this offering, shares of our common stock), subject to the terms thereof (the "G42 Option"). Shares may be issued pursuant to the G42 Option in one or more closings. The $1.43 billion of products and services that G42 has committed to purchase pursuant to the G42 May 2024 Agreement (as defined in "Management's Discussion & Analysis—G42 Relationship") does not count toward the G42 Option Threshold. The G42 Option expires if the G42 Option Threshold is not achieved by December 31, 2025. G42's ability to purchase shares in connection with the G42 Option is subject to CFIUS approval and is subject to the same fall back provisions with respect to CFIUS approval as the G42 Primary Purchase.

The maximum number of shares that may be purchased pursuant to the G42 Option will be the quotient of (i) the total aggregate purchase price for the G42 Option, which will equal 10% of the value of the relevant purchaser order(s), divided by (ii) (A) if the G42 Option is granted and exercised prior to the completion of this offering, a price per share that is 17.5% below the price per share of our then most recent arms-length sale of our redeemable convertible preferred stock (excluding our Series F-1 redeemable convertible preferred stock), or (B) if the G42 Option is granted or exercised following the completion of this offering, a price per share that is 17.5% below the average closing price per share of our common stock over the 30-day period prior to the G42 Option Threshold being met.

Assuming the G42 Option Threshold is satisfied after this offering, the minimum and maximum number of shares that could be purchased pursuant to the G42 Option, assuming the average closing price per share of our common stock over the 30-day period prior to the G42 Option Threshold being met is $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, would be shares of common stock (assuming the G42 Option Threshold is satisfied by product sales of $500.0 million in one purchase order) and shares of common stock (assuming the G42 Option Threshold is satisfied by product sales of $5.0 billion in the aggregate), respectively. If the price per share of our common stock over the 30-day period prior to the G42 Option Threshold being met is greater or lesser than $ per share, the number of shares that could be purchased pursuant to the G42 Option would decrease or increase, respectively.

Alpha Wave

Pursuant to the Series F-1 Purchase Agreement, Alpha Wave, an existing stockholder, agreed to purchase 3,069,577 shares of our Series F-1 redeemable convertible preferred stock for an aggregate purchase price of $45.0 million on or prior to February 28, 2025.

Registration Rights

Following the completion of this offering, and subject to the lock-up agreements entered into in connection with this offering, the holders of an aggregate of shares of our common stock or their permitted transferees will be entitled to rights with respect to the registration of these shares under the Securities Act. These rights are provided under the terms of an amended and restated investors' rights agreement between us and the holders of these shares, which was entered into in connection with our redeemable convertible preferred stock financings, and include Form S-1 and Form S-3 demand registration rights and piggyback registration rights. In any registration made pursuant to such amended and restated investors' rights agreement, all fees, costs, and expenses of underwritten registrations will be borne by us and all selling expenses, including all underwriting discounts, selling commissions, and stock transfer taxes, will be borne by the holders of the shares being registered. We will not be required to bear the expenses in connection with the exercise of the demand registration rights of a registration if the request is subsequently withdrawn at the request of the selling stockholders holding a majority of securities to be registered. In an underwritten public offering, the underwriters have the right, subject to specified conditions, to limit the number of shares such holders may include.

The registration rights terminate (i) upon a deemed liquidation event or stock sale, each as defined in the amended and restated investors' rights agreement, (ii) five years following the completion of this offering, or (iii) at such time as any particular stockholder may sell all of its shares during any 90-day period pursuant to Rule 144 or another similar exemption under the Securities Act.

Form S-1 Demand Registration Rights

The holders of an aggregate of shares of our common stock, or their permitted transferees, are entitled to Form S-1 demand registration rights. Under the terms of the amended and restated investors' rights agreement, at any time beginning 180 days after the effective date of the registration statement of which this prospectus forms a part, the holders representing a majority of the then-outstanding shares that are entitled to registration rights can request that we file a registration statement on Form S-1 covering all or some of their shares as soon as practicable, and in any event within 90 days after the date of such request, if the aggregate price to the public of the shares offered is at least $25.0 million (net of underwriting discounts, selling commissions, and stock transfer taxes). We may be required to effect up to two registrations pursuant to this provision of the amended and restated investors' rights agreement. We may postpone the filing of a registration statement once for up to 90 days in a 12-month period if our board of directors determines that the filing would be materially detrimental to us. We are not required to effect a Form S-1 demand registration under certain additional circumstances specified in the amended and restated investors' rights agreement, including during the period beginning 60 days prior to our good faith estimate of the date of filing and ending on a date 180 days after the effective date of a registration statement filed by our initiation.

Form S-3 Demand Registration Rights

The holders of an aggregate of shares of our common stock, or their permitted transferees, are also entitled to Form S-3 demand registration rights. Under the terms of the amended and restated investors' rights agreement, at any time once we are eligible to file a registration statement on Form S-3, the holders representing a majority of the then-outstanding shares that are entitled to registration rights can request that we file a registration statement on Form S-3 covering all or some of their shares, as soon as practicable, and in any event within 45 days of such request, if the aggregate price to the public of the shares offered is at least $5.0 million (net of underwriting discounts, selling commissions, and stock transfer taxes). The holders may only require us to effect at most two registration statements on Form S-3 in any 12-month period. We may postpone the filing of a registration statement

once for up to 90 days in a 12-month period if our board of directors determines that the filing would be materially detrimental to us. We are not required to effect a Form S-3 registration under certain additional circumstances specified in the amended and restated investors' rights agreement, including during the period beginning 30 days prior to our good faith estimate of the date of filing and ending on a date 90 days after the effective date of a registration statement filed by our initiation.

Piggyback Registration Rights

If we register any of our securities for public sale, holders of an aggregate of shares of our common stock entitled to registration rights, or their permitted transferees, will have the right to include their shares in the registration statement. However, this right does not apply to a registration relating to the sale of securities pursuant to any company stock plan, a registration relating to an SEC Rule 145 transaction, a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the common stock, or a registration in which the only common stock being registered is common stock issuable upon conversion of debt securities that are also being registered. The underwriters of any underwritten offering will have the right to limit the number of shares registered by these holders if they determine that marketing factors require limitation, in which case the number of shares to be registered will be apportioned pro rata among these holders, according to the total amount of securities entitled to be included by each holder. However, the number of shares to be registered by these holders cannot be reduced unless all other securities of such holders are first entirely excluded from the underwriting.

Anti-Takeover Provisions

Certain provisions of Delaware law, our amended and restated certificate of incorporation and our amended and restated bylaws, which will become effective immediately prior to the completion of this offering, which are summarized below, may have the effect of delaying, deferring, or discouraging another person from acquiring control of us. They are also designed, in part, to encourage persons seeking to acquire control of us to negotiate first with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us because negotiation of these proposals could result in an improvement of their terms.

Delaware Law

We are subject to Section 203 of the Delaware General Corporation Law, which prohibits a Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years after the date that such stockholder became an interested stockholder, with the following exceptions:

- the business combination or transaction which resulted in the stockholder becoming an interested stockholder was approved by the board of directors prior to the time that the stockholder became an interested stockholder;

- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding shares owned by directors who are also officers of the corporation and shares owned 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

- at or subsequent to the time the stockholder became an interested stockholder, the business combination was approved by the board of directors and authorized at an annual or special meeting of the stockholders, and not by written consent, by the affirmative vote of at least 66 2/3% of the outstanding voting stock which is not owned by the interested stockholder.

In general, Section 203 defines a "business combination" to include mergers, asset sales and other transactions resulting in financial benefit to a stockholder and an "interested stockholder" as a person who, together with affiliates and associates, owns, or within three years did own, 15% or more of the corporation's outstanding voting stock. These provisions may have the effect of delaying, deferring, or preventing changes in control of our company.

Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws

Our amended and restated certificate of incorporation and our amended and restated bylaws, which will become effective immediately prior to the completion of this offering, will include a number of provisions that could deter hostile takeovers or delay or prevent changes in control of our board of directors or management team, including the following:

Classified Board

Our amended and restated certificate of incorporation will further provide that our board of directors is divided into three classes, Class I, Class II, and Class III, with each class serving staggered three-year terms. In addition, directors may only be removed from the board of directors for cause. The existence of a classified board could delay a potential acquirer from obtaining majority control of our board of directors, and the prospect of that delay might deter a potential acquirer. See the section titled "Management—Board Structure and Composition" for additional information.

Board of Directors Vacancies

Our amended and restated certificate of incorporation and our amended and restated bylaws will authorize only our board of directors to fill vacant directorships, including newly created seats. In addition, the number of directors constituting our board of directors will be permitted to be set only by a resolution adopted by a majority vote of our entire board of directors. These provisions would prevent a stockholder from increasing the size of our board of directors and then gaining control of our board of directors by filling the resulting vacancies with its own nominees. This will make it more difficult to change the composition of our board of directors and will promote continuity of management.

Stockholder Action; Special Meeting of Stockholders

Our amended and restated certificate of incorporation will provide that our stockholders may not take action by written consent, but may only take action at annual or special meetings of our stockholders. As a result, a holder controlling a majority of our capital stock would not be able to amend our amended and restated bylaws or remove directors without holding a meeting of our stockholders called in accordance with our amended and restated bylaws. Our amended and restated bylaws will further provide that special meetings of our stockholders may be called only by a majority of our board of directors, the chairperson of our board of directors, or our Chief Executive Officer, thus prohibiting a stockholder from calling a special meeting. These provisions might delay the ability of our stockholders to force consideration of a proposal or for stockholders controlling a majority of our capital stock to take any action, including the removal of directors.

Advance Notice Requirements for Stockholder Proposals and Director Nominations

Our amended and restated bylaws will provide advance notice procedures for stockholders seeking to bring business before our annual meeting of stockholders or to nominate candidates for election as directors at our annual meeting of stockholders. Our amended and restated bylaws will also specify certain requirements regarding the form and content of a stockholder's notice. These provisions might preclude our stockholders from bringing matters before our annual meeting of stockholders or from making nominations for directors at our annual meeting of stockholders if the proper procedures are not followed. We expect that these provisions may also discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of our company.

No Cumulative Voting

The Delaware General Corporation Law provides that stockholders are not entitled to cumulate votes in the election of directors unless a corporation's certificate of incorporation provides otherwise. Our amended and restated certificate of incorporation will not provide for cumulative voting.

Amendment of Charter and Bylaws Provisions

Amendments to our amended and restated certificate of incorporation will require the approval of 66 2/3% of the outstanding voting power of our common stock. Our amended and restated bylaws will provide that approval of stockholders holding 66 2/3% of our outstanding voting power voting as a single class is required for stockholders to amend or adopt any provision of our bylaws.

Issuance of Undesignated Preferred Stock

Our board of directors will have the authority, without further action by our stockholders, to issue up to shares of undesignated preferred stock with rights and preferences, including voting rights, designated from time to time by our board of directors. The existence of authorized but unissued shares of preferred stock would enable our board of directors to render more difficult or to discourage an attempt to obtain control of us by means of a merger, tender offer, proxy contest, or other means.

Choice of Forum

Our amended and restated certificate of incorporation and amended and restated bylaws will provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the exclusive forum for the following types of actions or proceedings under Delaware statutory or common law: any derivative action or proceeding brought on our behalf; any action asserting a claim of breach of fiduciary duty owed by any of our directors, officers or stockholders to us or to our stockholders; any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws (as either may be amended from time to time); or any action asserting a claim against us that is governed by the internal affairs doctrine. As a result, any action brought by any of our stockholders with regard to any of these matters will need to be filed in the Court of Chancery of the State of Delaware and cannot be filed in any other jurisdiction; provided that, the exclusive forum provision will not apply to suits brought to enforce any liability or duty created solely by the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction; and provided further that, if and only if the Court of Chancery of the State of Delaware dismisses any such action for lack of subject matter jurisdiction, such action may be brought in another state or federal court sitting in the State of Delaware. Our amended and restated certificate of incorporation and amended and restated bylaws will also provide that the federal district courts of the United States of America will be the exclusive forum for the resolution of any complaint asserting a cause or causes of action against us or any defendant arising under the Securities Act. Such provision is intended to benefit and may be enforced by us, our officers and directors, employees, and agents, including the underwriters and any other professional or entity who has prepared or certified any part of this prospectus. Nothing in our amended and restated certificate of incorporation and amended and restated bylaws preclude stockholders that assert claims under the Exchange Act from bringing such claims in state or federal court, subject to applicable law.

If any action the subject matter of which is within the scope described above is filed in a court other than a court located within the State of Delaware (a "Foreign Action"), in the name of any stockholder, such stockholder shall be deemed to have consented to the personal jurisdiction of the state and federal courts located within the State of Delaware in connection with any action brought in any such court to enforce the applicable provisions of our amended and restated certificate of incorporation and amended and restated bylaws and having service of process made upon such stockholder in any such action by service upon such stockholder's counsel in the Foreign Action as agent for such stockholder. Although our amended and restated certificate of incorporation and amended and restated bylaws will contain the choice of forum provision described above, it is possible that a court could find that such a provision is inapplicable for a particular claim or action or that such provision is unenforceable.

This choice of forum provision may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, other employees or stockholders, which may discourage lawsuits with respect to such claims or make such lawsuits more costly for stockholders, although our stockholders will not be deemed to have waived our compliance with federal securities laws and the rules and regulations thereunder.

Limitations on Liability and Indemnification Matters

Our amended and restated certificate of incorporation will limit the liability of our directors and officers to the fullest extent permitted by the Delaware General Corporation Law, and our amended and restated bylaws will provide that we will indemnify them to the fullest extent permitted by such law. We expect to enter into indemnification agreements with our current directors and executive officers prior to the completion of this offering and expect to enter into a similar agreement with any new directors or executive officers. Further, pursuant to our indemnification agreements and directors' and officers' liability insurance, our directors and executive officers will be indemnified and insured against the cost of defense, settlement, or payment of a judgment under certain circumstances. In addition, as permitted by Delaware law, our amended and restated certificate of incorporation will include provisions that eliminate the personal liability of our directors and executive officers for monetary damages resulting from breaches of certain fiduciary duties as a director or officer. The effect of this provision is to restrict our rights and the rights of our stockholders in derivative suits to recover monetary damages against a director or officer for breach of fiduciary duties as a director or officer.

These provisions may be held not to be enforceable for violations of the federal securities laws of the United States.

Listing

We intend to apply to list our common stock on the under the symbol "CBRS."

Transfer Agent and Registrar

The transfer agent and registrar for our common stock will be . The transfer agent and registrar's address is .

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our common stock. Future sales of substantial amounts of our common stock in the public market could adversely affect market prices prevailing from time to time. Furthermore, because only a limited number of shares will be available for sale shortly after this offering due to existing contractual and legal restrictions on resale as described below, there may be sales of substantial amounts of our common stock in the public market after the restrictions lapse. This may adversely affect the prevailing market price and our ability to raise equity capital in the future.

Upon the completion of this offering, based on the number of shares of our capital stock outstanding as of June 30, 2024, we will have an aggregate of shares of common stock outstanding, assuming no exercise of the underwriters' option to purchase additional shares of common stock and no additional exercise of any stock options or warrants or settlement of RSUs after such date, and after giving effect to the Preferred Stock Conversion. All of the shares of common stock sold in this offering will be freely tradable without restrictions 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 shares of common stock and shares of common stock subject to stock options will be on issuance deemed "restricted securities," as that term is defined in Rule 144 under the Securities Act. These restricted securities are eligible for public sale only if they are registered under the Securities Act or if they qualify for an exemption from registration under Rules 144 or 701 under the Securities Act, which are summarized below. We expect that substantially all of these shares will be subject to the -day lock-up period under the lock-up agreements described below. Upon expiration of the lock-up period, we estimate that approximately shares will be available for sale in the public market, subject in some cases to applicable volume limitations under Rule 144.

Rule 144

In general, a person who has beneficially owned restricted shares of our common stock for at least six months would be entitled to sell such securities, provided that (i) such person is not deemed to have been one of our affiliates at the time of, or at any time during the 90 days preceding, a sale; and (ii) we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Persons who have beneficially owned restricted shares of our common stock for at least six months but who are our affiliates at the time of, or any time during the 90 days preceding, a sale, would be subject to additional restrictions, by which such person would be entitled to sell within any three-month period only a number of securities that does not exceed the greater of either of the following:

- 1% of the number of shares of our common stock then outstanding, which will equal approximately shares immediately after this offering, assuming no exercise of the underwriters' option to purchase additional shares; or
- the average weekly trading volume of shares of our common stock on the during the four calendar weeks preceding the filing of a notice on Form 144 with respect to that sale;

provided, in each case, that we are subject to the Exchange Act periodic reporting requirements for at least 90 days before the sale. Such sales both by affiliates and by non-affiliates must also comply with the manner of sale, current public information and notice provisions of Rule 144 to the extent applicable.

Rule 701

In general, under Rule 701 as currently in effect, any of our employees, directors, officers, consultants, or advisors who acquired common stock from us in connection with a written compensatory stock or option plan or other written agreement in compliance with Rule 701 before the effective date of the registration statement of which

this prospectus is a part (to the extent such common stock is not subject to a lock-up agreement) and who are not our "affiliates" as defined in Rule 144 during the immediately preceding 90 days, is entitled to rely on Rule 701 to resell such shares beginning 90 days after the date of this prospectus in reliance on Rule 144, but without complying with the notice, manner of sale, public information requirements or volume limitation provisions of Rule 144. Persons who are our "affiliates" may resell those shares beginning 90 days after the date of this prospectus without compliance with minimum holding period requirements under Rule 144 (subject to the terms of the lock-up agreement referred to below, if applicable).

Lock-Up and Market Standoff Agreements

In connection with this offering, we, our directors, officers, and the holders of substantially all of our common stock, stock options, and other securities convertible into, exercisable, or exchangeable for our common stock have entered into or will enter into lock-up agreements with the underwriters pursuant to which we and they have agreed not to, among other things and subject to certain exceptions more fully described under the section titled "Underwriting," offer, sell, contract to sell, pledge, or otherwise dispose of, (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) any shares of common stock or securities convertible into or exchangeable for shares of our common stock during the period ending on the day after the date of this prospectus, except with the prior consent of Citigroup Global Markets Inc. and Barclays Capital Inc. Citigroup Global Markets Inc. and Barclays Capital Inc., in their sole discretion, may release any of the securities subject to these lock-up agreements at any time. See the section titled "Underwriting" for additional information.

In addition to the restrictions contained in the lock-up agreements described above, we have entered into agreements with certain security holders, including in connection with our amended and restated investors' rights agreement and the equity awards issued under our equity incentive plans, that contain market standoff provisions imposing restrictions on the ability of such security holders to offer, sell, or transfer our equity securities for a period of days following the date of this prospectus.

Registration Rights

We have granted Form S-1 and Form S-3 demand and piggyback registration rights to certain of our stockholders. Registration of the sale of these shares under the Securities Act would result in these shares becoming freely tradable without restriction under the Securities Act immediately upon the effectiveness of the registration, except for shares purchased by affiliates. See the section titled "Description of Capital Stock—Registration Rights" for additional information.

Equity Incentive Plans

We intend to file with the SEC one or more registration statements on Form S-8 under the Securities Act to register all of the shares of our common stock issuable or issuable and reserved for issuance under the 2016 Plan, the 2024 Plan, and the ESPP. Shares covered by such registration statement will be eligible for sale in the public market, subject to the Rule 144 limitations, vesting restrictions, and the lock-up agreements described above, if applicable.

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 purchase, ownership, and disposition of our common stock issued pursuant to this offering, but does not purport to be a complete analysis of all potential tax effects. 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 U.S. Internal Revenue Code of 1986, as amended (the "Code"), Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the U.S. Internal Revenue Service (the "IRS"), in each case 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. 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 that discussed below regarding the tax consequences of the purchase, ownership, and disposition of our common stock.

This discussion is limited to Non-U.S. Holders that hold our 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 contribution tax on net investment income and the alternative minimum tax. 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 common stock as part of a hedge, straddle, or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies, and other financial institutions;
- brokers, dealers, or traders in securities;
- "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 common stock under the constructive sale provisions of the Code;
- persons who hold or receive our common stock pursuant to the exercise of any employee stock option or otherwise as compensation;
- tax-qualified retirement plans; and
- "qualified foreign pension funds" as defined in Section 897(l)(2) of the Code and entities all of the interests of which are held by qualified foreign pension funds.

If an entity treated as a partnership for U.S. federal income tax purposes holds our 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 common stock and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. 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 PURCHASE, OWNERSHIP, AND DISPOSITION OF OUR 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 common stock that is neither a "U.S. person" nor an entity treated as a partnership for U.S. federal income tax purposes. A U.S. 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 United States;
- a corporation 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 all substantial decisions of which are subject to 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 titled "Dividend Policy," we do not anticipate declaring or paying any cash dividends in the foreseeable future. However, if we do make distributions of cash or property on our common 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. Amounts not treated as dividends for U.S. federal income tax purposes will constitute a return of capital and first be applied against and reduce a Non-U.S. Holder's adjusted tax basis in its common stock, but not below zero. Any excess will be treated as capital gain and will be treated as described under the subsection titled "—Sale or Other Taxable Disposition" below.

Subject to the discussion below regarding effectively connected income, dividends paid to a Non-U.S. Holder 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 the Non-U.S. Holder furnishes a valid IRS Form W-8BEN or W-8BEN-E (or other applicable documentation) certifying qualification for the lower treaty rate). 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 tax treaties.

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 rates applicable to U.S. persons. 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 such effectively connected dividends, as adjusted for certain items. 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

A Non-U.S. Holder will not be subject to U.S. federal income tax on any gain realized upon the sale or other taxable disposition of our 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 common stock constitutes a U.S. real property interest ("USRPI") by reason of our status as a U.S. real property holding corporation ("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 rates applicable to U.S. persons. 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 such effectively connected gain, as adjusted for certain items.

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 gain realized upon the sale or other taxable disposition of our common stock, which may be offset by certain 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 of our common stock by a Non-U.S. Holder will not be subject to U.S. federal income tax if our common stock is "regularly traded," as defined by applicable Treasury Regulations, on an established securities market and such Non-U.S. Holder owned, actually and constructively, 5% or less of our common stock throughout the shorter of the five-year period ending on the date of the sale or other taxable disposition or the Non-U.S. Holder's holding period.

Non-U.S. Holders should consult their tax advisors regarding any applicable tax treaties that may provide for different rules.

Information Reporting and Backup Withholding

Payments of dividends on our common stock will not be subject to backup withholding, provided the Non-U.S. Holder 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 are required to be filed with the IRS in connection with any distributions on our common stock paid to the Non-U.S. Holder, regardless of whether such distributions constitute dividends or whether any tax was actually withheld. In addition, proceeds of the sale or other taxable disposition of our common stock within the United States 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 or the Non-U.S. Holder otherwise establishes an exemption. Proceeds of a disposition of our common stock conducted through a non-U.S. office of a non-U.S. broker that does not have certain enumerated relationships with the United States 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

Withholding taxes may be imposed under Sections 1471 to 1474 of the Code (such Sections commonly referred to as the Foreign Account Tax Compliance Act ("FATCA")) on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on dividends on, or (subject to the proposed Treasury Regulations discussed below) gross proceeds from the sale or other disposition of, our common stock paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code), unless (i) the foreign financial institution undertakes certain diligence and reporting obligations, (ii) the non-financial foreign entity either certifies it does not have any "substantial United States owners" (as defined in the Code) or furnishes identifying information regarding each substantial United States owner, or (iii) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in (1) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified United States persons" or "United States owned foreign entities" (each as defined in the Code), annually report certain information about such accounts, and withhold 30% on certain payments to non-compliant foreign financial institutions and certain other account holders. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

Under applicable Treasury Regulations and administrative guidance, withholding under FATCA generally applies to payments of dividends on our common stock. While withholding under FATCA would have applied also to payments of gross proceeds from the sale or other disposition of our common stock beginning on January 1, 2019, proposed Treasury Regulations eliminate FATCA withholding on payments of gross proceeds entirely. Taxpayers generally may rely on these proposed Treasury Regulations until final Treasury Regulations are issued.

Prospective investors should consult their tax advisors regarding the potential application of withholding under FATCA to their investment in our common stock.

UNDERWRITING

Citigroup Global Markets Inc. and Barclays Capital Inc. are acting as joint book-running managers of the offering and as representatives of the underwriters named below. Subject to the terms and conditions stated in the underwriting agreement dated the date of this prospectus, each underwriter named below has severally agreed to purchase, and we have agreed to sell to that underwriter, the number of shares set forth opposite the underwriter's name.

Underwriter	Number of Shares
Citigroup Global Markets Inc.	
Barclays Capital Inc.	
UBS Securities LLC	
Wells Fargo Securities, LLC	
Mizuho Securities USA LLC	
TD Securities (USA) LLC	
Needham & Company, LLC	
Craig-Hallum Capital Group LLC	
Wedbush Securities Inc.	
Rosenblatt Securities Inc.	
Academy Securities, Inc.	
Total	

The underwriting agreement provides that the obligations of the underwriters to purchase the shares included in this offering are subject to approval of legal matters by counsel and to other conditions. The underwriters are obligated to purchase all the shares (other than those covered by option to purchase additional shares described below) if they purchase any of the shares.

Shares sold by the underwriters to the public will initially be offered at the initial public offering price set forth on the cover of this prospectus. Any shares sold by the underwriters to securities dealers may be sold at a discount from the initial public offering price not to exceed $ per share. If all the shares are not sold at the initial offering price, the underwriters may change the offering price and the other selling terms. The underwriters have advised us that they do not intend sales to discretionary accounts to exceed 5% of the total number of shares of common stock offered by them.

If the underwriters sell more shares than the total number set forth in the table above, we have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to additional shares of common stock at the public offering price less the underwriting discounts and commissions. The underwriters may exercise the option solely for the purpose of covering over-allotments, if any, in connection with this offering. To the extent the option is exercised, each underwriter must purchase a number of additional shares approximately proportionate to that underwriter's initial purchase commitment. Any shares issued or sold under the option will be issued and sold on the same terms and conditions as the other shares that are the subject of this offering.

We intend to apply to list our shares of common stock on the under the symbol "CBRS."

The following table shows the underwriting discounts and commissions that we are to pay to the underwriters in connection with this offering. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

	Paid by us	
	No Exercise	Full Exercise
Per share	$	$
Total	$	$

We estimate that our total expenses of this offering will be $, excluding underwriting discounts and commissions. We have agreed to reimburse the underwriters for expenses relating to the clearance of this offering with the Financial Industry Regulatory Authority, Inc. in an amount up to $.

We have agreed that, for a period of days from the date of this prospectus (the "restricted period"), we will not, subject to certain exceptions, without the prior written consent of Citigroup Global Markets Inc. and Barclays Capital Inc., offer, sell, contract to sell, pledge, or otherwise dispose of (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise), including the filing or confidential submission (or participation in the filing or confidential submission) of a registration statement with the SEC in respect of, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position) any shares of common stock or any securities convertible into or exchangeable for our common stock, or publicly announce an intention to effect any such transaction. Citigroup Global Markets Inc. and Barclays Capital Inc. in their sole discretion may waive these restrictions at any time. The foregoing restrictions do not apply to .

Our officers and directors, and the holders of substantially all of our common stock, stock options, and other securities convertible into, exercisable, or exchangeable for our common stock, have agreed that, during the restricted period, subject to certain exceptions, they will not, without the prior written consent of Citigroup Global Markets Inc. and Barclays Capital Inc., offer, sell, contract to sell, pledge or otherwise dispose of, (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by the party to the lock-up agreement (a "lock-up party") or any affiliate of the lock-up party or any person in privity with the lock-up party or any affiliate of the lock-up party), directly or indirectly, including the confidential submission or filing (or participation in the confidential submission or filing) of a registration statement with the SEC in respect of, or establish or increase a put equivalent position or liquidate or decrease a call equivalent position, any shares of common stock or any securities convertible into or exchangeable for our common stock, or publicly announce an intention to effect any such transaction. Citigroup Global Markets Inc. and Barclays Capital Inc. in their sole discretion may release any of the securities subject to these lock-up agreements at any time. The foregoing restrictions do not apply to .

Prior to this offering, there has been no public market for our shares. Consequently, the initial public offering price for the shares will be determined by negotiations between us and the representatives. Among the factors considered in determining the initial public offering price will be our results of operations, our current financial condition, our future prospects, our markets, the economic conditions in and future prospects for the industry in which we compete, our management, and currently prevailing general conditions in the equity securities markets, including current market valuations of publicly traded companies considered comparable to our company. We cannot assure you, however, that the price at which the shares will sell in the public market after this offering will not be lower than the initial public offering price or that an active trading market in our shares will develop and continue after this offering.

In connection with the offering, the underwriters may purchase and sell shares in the open market. Purchases and sales in the open market may include short sales, purchases to cover short positions, which may include purchases pursuant to the underwriters' option to purchase additional shares, and stabilizing purchases.

- Short sales involve secondary market sales by the underwriters of a greater number of shares than they are required to purchase in the offering.
    - "Covered" short sales are sales of shares in an amount up to the number of shares represented by the underwriters' option to purchase additional shares.
    - "Naked" short sales are sales of shares in an amount in excess of the number of shares represented by the underwriters' option to purchase additional shares.
- Covering transactions involve purchases of shares either pursuant to the underwriters' option to purchase additional shares or in the open market in order to cover short positions.
    - To close a naked short position, the underwriters must purchase 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 the shares in the open market after pricing that could adversely affect investors who purchase in the offering.
    - To close a covered short position, the underwriters must purchase shares in the open market or must exercise the underwriters' option to purchase additional shares. In determining the source of shares to close 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 underwriters' option to purchase additional shares.
- Stabilizing transactions involve bids to purchase shares so long as the stabilizing bids do not exceed a specified maximum.

Purchases to cover short positions and stabilizing purchases, as well as other purchases by the underwriters for their own accounts, may have the effect of preventing or retarding a decline in the market price of the shares. They may also cause the price of the shares to be higher than the price that would otherwise exist in the open market in the absence of these transactions. The underwriters may conduct these transactions on the , in the over-the-counter market or otherwise. If the underwriters commence any of these transactions, they may discontinue them at any time.

Other Relationships

The underwriters are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing, and brokerage activities. Certain of the underwriters and their respective affiliates have in the past performed commercial banking, investment banking, and advisory services for us from time to time for which they have received customary fees and reimbursement of expenses. The underwriters may, from time to time, engage in transactions with and perform services for us in the ordinary course of their business for which they may receive customary fees and reimbursement of expenses.

In addition, in the ordinary course of their various business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers and may at any time hold long and short positions in such securities and instruments. 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.

We 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 because of any of those liabilities.

Selling Restrictions

Notice to Prospective Investors in the European Economic Area

In relation to each Member State of the European Economic Area (each a "Relevant State"), no shares of our common stock 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 of our common stock 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 of our common stock may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the underwriters; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of shares of our common stock 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 of our common stock 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 Article 2(e) of the Prospectus Regulation. In the case of any shares of our common stock being offered to a financial intermediary as that term is used in the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the shares of our common stock 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 of any shares of our common stock to the public other than their offer or resale in a Relevant State to qualified investors as so defined or in circumstances in which the prior consent of the underwriters have been obtained to each such proposed offer or resale.

For the purposes of this provision, the expression an "offer to the public" in relation to shares of our common stock 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 of our common stock to be offered so as to enable an investor to decide to purchase or subscribe for any shares of our common stock, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Notice to Prospective Investors in the United Kingdom

No shares of our common stock have been offered or will be offered pursuant to the offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the shares of our common stock which (i) has been approved by the Financial Conduct Authority and (ii) is to be treated as if it had been approved by the Financial Conduct Authority in accordance with the transitional provisions in Article 74 (transitional provisions) of

the Prospectus Amendment etc. (EU Exit) Regulations 2019/1234, except that the shares of our common stock may be offered to the public in the United Kingdom at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of underwriters for any such offer; or

(c) in any other circumstances falling within Section 86 of the FSMA.

provided that no such offer of the shares of our common stock shall require us or any representative to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the shares of our common stock in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any shares of our common stock to be offered so as to enable an investor to decide to purchase or subscribe for any shares of our common stock and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are "qualified investors" (as defined in the Prospectus Regulation) (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons") or otherwise in circumstances which have not resulted and will not result in an offer to the public of the shares of our common stock in the United Kingdom within the meaning of the Financial Services and Markets Act 2000.

Any person in the United Kingdom that is not a relevant person should not act or rely on the information included in this document or use it as basis for taking any action. In the United Kingdom, any investment or investment activity that this document relates to may be made or taken exclusively by relevant persons.

Notice to Prospective Investors in Hong Kong

The shares of our common stock have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO") of Hong Kong and any rules made thereunder; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong) (the "CO") or which do not constitute an offer to the public within the meaning of the CO. No advertisement, invitation or document relating to the shares of our common stock 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 of our common stock which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made thereunder.

Notice to Prospective Investors in Japan

The shares of our common stock have not been and will not be registered pursuant to Article 4, Paragraph 1 of the Financial Instruments and Exchange Act. Accordingly, none of the shares of our common stock nor any interest therein may be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any "resident" of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of a resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in

compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan in effect at the relevant time.

Notice to Prospective Investors in Singapore

Each joint book-running manager has acknowledged that this offering has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each joint book-running manager has represented and agreed that it has not offered or sold any shares of our common stock or caused the shares of our common stock to be made the subject of an invitation for subscription or purchase and will not offer or sell any shares of our common stock or cause the shares to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares of our common stock, whether directly or indirectly, to any person in Singapore other than:

(a) 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 (the "SFA")) pursuant to Section 274 of the SFA;

(b) 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

(c) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares of our common stock are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) 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

(b) 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 of our common stock pursuant to an offer made under Section 275 of the SFA except:

(i) 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)(c)(ii) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Notice to Prospective Investors in Canada

The shares of our common stock 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 of our common stock 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 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 Switzerland

This Prospectus does not constitute an offer to the public or a solicitation to purchase or invest in any shares of our common stock. No shares of our common stock have been offered or will be offered to the public in Switzerland, except that offers of shares of our common stock may be made to the public in Switzerland at any time under the following exemptions under the Swiss Financial Services Act ("FinSA"):

(a) to any person which is a professional client as defined under the FinSA;

(b) to fewer than 500 persons (other than professional clients as defined under the FinSA), subject to obtaining the prior consent of joint book-running managers for any such offer; or

(c) in any other circumstances falling within Article 36 FinSA in connection with Article 44 of the Swiss Financial Services Ordinance,

provided that no such offer of shares of our common stock shall require the Company or any investment bank to publish a prospectus pursuant to Article 35 FinSA.

The shares of our common stock have not been and will not be listed or admitted to trading on a trading venue in Switzerland.

Neither this document nor any other offering or marketing material relating to the shares of our common stock constitutes a prospectus as such term is understood pursuant to the FinSA and neither this document nor any other offering or marketing material relating to the shares of our common stock may be publicly distributed or otherwise made publicly available in Switzerland.

Notice to Prospective Investors in Australia

This prospectus:

- does not constitute a disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) (the "Corporations Act");
- has not been, and will not be, lodged with the Australian Securities and Investments Commission ("ASIC"), as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document for the purposes of the Corporations Act; and

- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors, available under section 708 of the Corporations Act ("Exempt Investors").

The shares of our common stock may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the shares of our common stock may be issued, and no draft or definitive offering memorandum, advertisement or other offering material relating to any shares of our common stock may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the shares of our common stock, you represent and warrant to us that you are an Exempt Investor.

As any offer of shares of our common stock under this document will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the shares of our common stock you undertake to us that you will not, for a period of 12 months from the date of issue of the shares of our common stock, offer, transfer, assign or otherwise alienate those shares of our common stock to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Notice to Prospective Investors in the Dubai International Financial Centre

This prospectus relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority (the "DFSA"). This prospectus and the accompanying prospectus is intended for distribution only to persons of a type specified in the Markets Rules 2012 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 this prospectus. The securities to which this prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this prospectus you should consult an authorized financial advisor.

In relation to its use in the Dubai International Financial Centre (the "DIFC"), this prospectus is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

LEGAL MATTERS

The validity of the shares of common stock offered hereby will be passed upon for us by Latham & Watkins LLP. Davis Polk & Wardwell LLP, Menlo Park, California, is acting as counsel for the underwriters in connection with certain legal matters related to this offering.

EXPERTS

The consolidated financial statements of Cerebras Systems Inc. as of December 31, 2023 and 2022 and for each of the years then ended included in this prospectus and in the registration statement have been so included in reliance on the report of BDO USA, P.C., an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1, including exhibits and schedules, under the Securities Act, with respect to the shares of common stock being offered by this prospectus. This prospectus, which constitutes part of the registration statement, does not contain all of the information in the registration statement and its exhibits. For further information with respect to us and our common stock, we refer you to the registration statement and its exhibits. Statements contained in this prospectus as to the contents of any contract or any other document referred to are not necessarily complete, and in each instance, we refer you to the copy of the contract or other document filed as an exhibit to the registration statement. Each of these statements is qualified in all respects by this reference.

You may read our SEC filings, including this registration statement, over the Internet at the SEC's website at *www.sec.gov*. Upon the completion of this offering, we will be subject to the information reporting requirements of the Exchange Act and we will file reports, proxy statements, and other information with the SEC. These reports, proxy statements, and other information will be available for review at the SEC's website referred to above. We also maintain a website at *www.cerebras.ai*, at which, following the completion 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 accessed through, our website does not constitute part of this prospectus or the registration statement of which it forms a part, and the inclusion of our website address in this prospectus is an inactive textual reference only.

Cerebras Systems Inc.

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Report of Independent Registered Public Accounting Firm

Shareholders and Board of Directors
Cerebras Systems Inc.
Sunnyvale, California

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Cerebras Systems Inc. (the "Company") as of December 31, 2023 and 2022, the related consolidated statements of operations, comprehensive loss, changes in redeemable convertible preferred stock and stockholders' deficit, and cash flows for each of 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, 2023 and 2022, and the results of its operations and its cash flows for the years then ended**,** in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated 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 and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ BDO USA, P.C.

We have served as the Company's auditor since 2020.

San Jose, California

June 17, 2024

CEREBRAS SYSTEMS INC.
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share and share amounts)

	December 31,	
	2023	**2022**
ASSETS		
Current assets:		
Cash and cash equivalents	$ 34,761	$ 26,077
Restricted cash	19	119
Investments	117,627	199,257
Accounts receivable	6,764	3,725
Inventory	49,082	19,536
Prepaid expenses and other current assets	4,039	4,454
Total current assets	212,292	253,168
Property and equipment, net	12,513	26,833
Right-of-use assets	519	1,240
Other assets	173	250
Total assets	$ 225,497	$ 281,491
LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK, AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 14,694	$ 5,050
Accrued expenses	12,688	2,589
Accrued compensation	7,593	8,903
Deferred revenue, current	13,675	2,562
Current portion of operating lease liabilities	318	736
Liability related to early exercised options	210	1,060
Provision for product warranties	3,633	538
Other current liabilities	1,830	362
Total current liabilities	54,641	21,800
Deferred revenue, net of current portion	5,551	1,428
Deferred tax liability	132	114
Warrant liability	1,113	1,141
Operating lease liability, net of current portion	242	562
Total liabilities	61,679	25,045
Commitments and contingencies (Note 15)		
Redeemable convertible preferred stock, $0.00001 par value per share: 78,745,488 shares authorized, 77,032,857 shares issued and outstanding December 31, 2023 and 2022	$ 722,780	$ 722,780
Stockholders' deficit		
Common stock, $0.00001 par value; 168,000,000 and 158,000,000 authorized shares at December 31, 2023 and 2022, respectively; 45,361,795 and 43,011,356 issued and outstanding as of December 31, 2023 and 2022, respectively	—	—
Additional paid in capital	101,578	68,473
Treasury stock, 300,138 shares of common stock outstanding as of December 31, 2023 and 2022	(88)	(88)
Accumulated other comprehensive income (loss)	1,103	(319)
Accumulated deficit	(661,555)	(534,400)
Total stockholders' deficit	(558,962)	(466,334)
Total liabilities, redeemable convertible preferred stock, and stockholders' deficit	$ 225,497	$ 281,491

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

CEREBRAS SYSTEMS INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)

	Years Ended December 31,	
	2023	**2022**
Revenue		
Hardware	$ 57,114	$ 15,599
Services and other	21,630	9,020
Total revenue	78,744	24,619
Cost of sales		
Hardware	45,559	19,195
Services and other	6,827	2,534
Total cost of sales	52,386	21,729
Gross profit	26,358	2,890
Operating expenses		
Research and development	140,057	155,408
Sales and marketing	9,642	9,401
General and administrative	10,593	16,902
Total operating expenses	160,292	181,711
Loss from operations	(133,934)	(178,821)
Interest income	5,683	1,076
Other income, net	1,228	230
Loss before income taxes	(127,023)	(177,515)
Income tax expense	132	204
Net loss	$ (127,155)	$ (177,719)
Net loss per share – basic and diluted	$ (2.92)	$ (4.28)
Weighted average number of common shares outstanding, basic and diluted	43,552	41,485

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

CEREBRAS SYSTEMS INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(in thousands)

	Years Ended December 31,	
	2023	**2022**
Net loss	$ (127,155)	$ (177,719)
Foreign currency translation adjustments, net of tax	(73)	(331)
Available-for-sale investments:		
Change in net unrealized gain on debt securities, net of tax	1,495	541
Comprehensive loss	$ (125,733)	$ (177,509)

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

CEREBRAS SYSTEMS INC.
CONSOLIDATED STATEMENTS OF CHANGES IN REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT
(in thousands)

	Redeemable Convertible Preferred Stock		Common Stock		Additional	Treasury Stock		Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Paid-in Capital	Shares	Amount			
Balance as of January 1, 2022	77,033	$ 722,780	41,430	$ —	$ 39,549	(300)	$ (88)	$ (529)	$ (353,641)	$ (314,709)
Shares issued upon exercise of stock options, net of repurchases of early exercised stock options	—	—	1,581	—	2,758	—	—	—	—	2,758
Vesting of early exercised stock options	—	—	—	—	1,235	—	—	—	—	1,235
Stock-based compensation	—	—	—	—	15,518	—	—	—	—	15,518
Conversion of stock-based liability classified awards to stock-based equity classified awards	—	—	—	—	206	—	—	—	—	206
Common stock repurchased and retired	—	—	(600)	—	(842)	—	—	—	(3,040)	(3,882)
Issuance of common stock	—	—	600	—	10,049	—	—	—	—	10,049
Foreign currency translation adjustments, net of tax	—	—	—	—	—	—	—	(331)	—	(331)
Change in net unrealized gain on debt securities, net of tax	—	—	—	—	—	—	—	541	—	541
Net loss	—	—	—	—	—	—	—	—	(177,719)	(177,719)
Balance as of December 31, 2022	77,033	722,780	43,011	—	68,473	(300)	(88)	(319)	(534,400)	(466,334)
Shares issued upon exercise of stock options, net of repurchases of early exercised stock options	—	—	2,351	—	5,937	—	—	—	—	5,937
Vesting of early exercised stock options	—	—	—	—	847	—	—	—	—	847
Stock-based compensation	—	—	—	—	25,666	—	—	—	—	25,666
Conversion of stock-based liability classified awards to stock-based equity classified awards	—	—	—	—	655	—	—	—	—	655
Foreign currency translation adjustments, net of tax	—	—	—	—	—	—	—	(73)	—	(73)
Change in net unrealized gain on debt securities, net of tax	—	—	—	—	—	—	—	1,495	—	1,495
Net loss	—	—	—	—	—	—	—	—	(127,155)	(127,155)
Balance as of December 31, 2023	**77,033**	**$ 722,780**	**45,362**	**$ —**	**$ 101,578**	**(300)**	**$ (88)**	**$ 1,103**	**$ (661,555)**	**$ (558,962)**

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

CEREBRAS SYSTEMS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Years Ended December 31,	
	2023	**2022**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (127,155)	$ (177,719)
Adjustments to reconcile net loss to net cash flows used in operating activities:		
Depreciation and amortization expense	10,583	11,941
Gain on sale of investments, net	(221)	(363)
Loss on disposal of property and equipment	3,143	6,912
Stock-based compensation	26,631	16,876
Amortization of premium and accretion of discount on investments, net	(4,948)	1,547
Non-cash lease expense	721	1,351
Write-offs and provision for excess and obsolete inventories	2,469	10,790
Change in fair value of warrant liability	(28)	492
Change in deferred tax liability	18	114
Changes in operating assets and liabilities:		
Accounts receivable	(3,039)	4,244
Inventory	(25,191)	(37,502)
Prepaid expenses and other assets	492	17
Accounts payable	9,777	250
Accrued expenses	10,331	(1,549)
Accrued compensation	(1,621)	(588)
Deferred revenue	15,236	(825)
Operating lease liability	(738)	(706)
Provision for product warranties	3,095	288
Other current liabilities	1,468	28
Net cash flows used in operating activities	(78,977)	(164,402)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(6,593)	(10,463)
Proceeds from sale of property and equipment	—	24
Purchases of investments	(265,593)	(207,228)
Maturities and sales of investments	353,887	355,060
Net cash flows provided by investing activities	81,701	137,393
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from sale of common stock	—	10,049
Proceeds from exercise of stock options	5,996	2,973
Repurchases of early exercised stock options	(63)	(37)
Repurchases of common stock	—	(3,881)
Net cash flows provided by financing activities	5,933	9,104

CEREBRAS SYSTEMS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)
(in thousands)

	Years Ended December 31,	
	2023	2022
Increase (decrease) in cash, cash equivalents, and restricted cash	8,657	(17,905)
Effect of exchange rate on cash	(73)	(331)
Cash, cash equivalents, and restricted cash beginning of period	26,196	44,432
Cash, cash equivalents, and restricted cash end of period	$ 34,780	$ 26,196
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash paid for income taxes, net of refunds	$ 126	$ 39
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Transfer of property and equipment out of inventory	$ 5,032	$ 29,515
Transfer of property and equipment into inventory	11,856	2,846
Purchases of property and equipment included in accounts payable and accrued expenses	365	—
Vesting of early exercised options	847	1,235
Right-of-use assets obtained in exchange for lease obligations	—	1,119

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

Note 1 – Nature of Operations

Cerebras Systems Inc. (the "Company" or "Cerebras") was incorporated in Delaware in April 2016. Cerebras is an enterprise artificial intelligence ("AI") company that designs and deploys an AI compute platform, purpose built for accelerating AI's most complex workloads. The Company's Wafer-Scale Engine ("WSE"), a chip encompassing an entire silicon wafer—specifically designed to tackle the computational demands of Generative AI ("GenAI") applications. The Company architects AI systems, utilizing WSE, and the integrated software connects these systems into a cluster to form supercomputers. The AI compute platform is designed to reduce training times and inference latencies, while reducing programming complexity. The Company leverages this technology to train AI models in collaboration with its customers. Since its inception, Cerebras Systems Inc. has dedicated resources to research and development activities that support its current projects and future development efforts. The Company is headquartered in Sunnyvale, California.

Note 2 – Basis of Presentation and Liquidity

These consolidated financial statements are presented in U.S. dollars and have been prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP"). The consolidated financial statements include the accounts and operations of the Company and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated upon consolidation. Certain amounts reported in the prior year financial statements have been reclassified to conform to the current year presentation. These changes in presentation do not affect previously reported results.

The Company has financed operations to date primarily through equity financing arrangements and has incurred operating losses and negative cash flows since its inception. As of December 31, 2023, the Company had a total cash, cash equivalents, and restricted cash balance of $34.8 million; an investments balance of $117.6 million, which was classified as available-for-sale; and an accumulated deficit of $661.6 million. During the year ended December 31, 2023, net loss incurred was $127.2 million and net cash used in operations was $79.0 million. The Company expects to continue to incur operating losses and negative cash flows from operations to support the development and marketing of its products, for the expansion of its product portfolio, and to continue its research and development activities. The Company's activities are subject to significant risks and uncertainties, including market acceptance of the Company's products, as well as the timing and extent of spending on research and development. The Company's management plans to monitor expenses and raise additional capital through a combination of an initial public offering of shares of common stock, and potentially, strategic alliances. In May 2024, the Company received commitments from certain investors to provide additional capital of $380.0 million through the purchase of shares of the Company's Series F-1 redeemable convertible preferred stock, subject to regulatory approval and satisfaction of customary closing conditions. Refer to Note 16 for further details. The Company's ability to access capital when needed is not assured and, if capital is not available on acceptable terms to the Company when, and in the amounts, needed, the Company could be required to delay, scale back or abandon some or all of its development programs and other operations, which could materially harm the Company's business, financial condition, and results of operations.

If the Company is unable to obtain further funding, the Company may be forced to delay, reduce, or eliminate some or all of its research and development programs, product portfolio expansion, or commercialization efforts, which could adversely affect its business prospects. Management believes that the Company's current cash and cash equivalents and investments are adequate to meet its needs for the next 12 months from the issuance of these consolidated financial statements.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period.

Areas of significant estimates include, but are not limited to, revenue recognition, including the determination of the standalone selling price ("SSP") of performance obligations, useful life of property, plant and equipment, product warranty accruals, impairment of long-lived assets, the market value of and demand for inventory, valuation allowance on deferred income tax assets, the fair value of common stock and other assumptions used to measure stock-based compensation, and warrant liability. The Company bases its estimates on historical experience, known trends, and other market-specific or other relevant factors that it believes to be reasonable under the circumstances. On an ongoing basis, management evaluates its estimates when there are changes in circumstances, facts, and experience. Changes in estimates are recorded prospectively in the period in which they become known. Actual results could significantly differ from those estimates.

Note 3 – Recent Accounting Pronouncements Not Yet Adopted

In August 2020, the FASB issued ASU No. 2020-06,*Accounting for Convertible Instruments and Contracts in an Entity's Own Equity*("ASU 2020-06"), which simplifies an issuer's accounting for convertible instruments by reducing the number of accounting models that require separate accounting for embedded conversion features. ASU 2020-06 also simplifies the settlement assessment that entities are required to perform to determine whether a contract qualifies for equity classification and makes targeted improvements to the disclosures for convertible instruments and earnings-per-share (EPS) guidance. This update will be effective for the Company's fiscal years beginning after December 15, 2023, and interim periods within those fiscal years. Early adoption is permitted, but no earlier than fiscal years beginning after December 15, 2020, and interim periods within those fiscal years. Entities can elect to adopt the new guidance through either a modified retrospective method of transition or a fully retrospective method of transition. The Company does not expect this ASU to have a material impact on its consolidated financial statements.

In June 2022, the FASB issued ASU No. 2022-03*Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions* ("ASU 2022-03"), which clarifies that a contractual restriction on the sale of an equity security is not considered part of the unit of account of the equity security and, therefore, is not considered in measuring fair value; clarifies that an entity cannot, as a separate unit of account, recognize and measure a contractual sale restriction and requires the additional disclosures for equity securities subject to contractual sale restrictions. ASU 2022-03 is effective for the Company's fiscal years beginning after December 15, 2023, and interim periods within those fiscal years. Early adoption is permitted for both interim and annual financial statements that have not yet been issued or made available for issuance. The Company does not expect this ASU to have a material impact on its consolidated financial statements.

In November 2023, the FASB issued ASU No. 2023-07*Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*("ASU 2023-07"), which enhances the disclosures required for operating segments in the Company's annual and interim consolidated financial statements. The disclosures required under ASU 2023-07 are also required for public entities with a single reportable segment. The ASU is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The Company is currently evaluating the impact of this ASU on its consolidated financial statements.

In December 2023, the FASB issued ASU No. 2023-09*Income Taxes (Topic 740): Improvements to Income Tax Disclosures*("ASU 2023-09"). ASU 2023-09 requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The ASU is effective for public business entities for annual periods beginning after December 15, 2024. For all other entities, the standard is effective for annual periods beginning after December 15, 2025. Early adoption is permitted. The Company is currently evaluating the impact of this ASU on its consolidated financial statements.

Note 4 – Significant Accounting Policies

Risks and Uncertainties

Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash, cash equivalents, investments, and accounts receivable. Investments are made with the primary objective of preservation of capital and maintenance of liquidity. The Company believes that the quality of financial instruments minimizes the exposure to concentration of credit risk. The Company holds cash, cash equivalents, and restricted cash at several major financial institutions, which may exceed insurance limits set by the Federal Deposit Insurance Corporation ("FDIC"). The Company has not historically experienced any losses due to such concentration of credit risk.

The Company has no significant off-balance sheet risk, such as foreign exchange contracts, options contracts, or other hedging arrangements.

The Company believes its credit policies are prudent and reflect normal industry terms and business risk. The Company's exposure to credit risk for accounts receivable is indicated by the carrying value of its accounts receivable. The Company does not require customers to provide collateral to support accounts receivable. If deemed necessary, credit reviews of significant customers may be performed prior to extending credit. The determination of a customer's ability to pay requires judgment, and failure to collect from a customer can adversely affect revenue, cash, and net earnings. Expected credit losses for uncollectible receivable balances consider both current conditions and reasonable and supportable forecasts of future conditions. Current conditions considered include predefined aging criteria, as well as specified events that indicate the balance due is not collectible. Reasonable and supportable forecasts used in determining the probability of future collections consider publicly available macroeconomic data and whether future credit losses are expected to differ from historical losses. The Company currently does not have an allowance for credit losses and expects to collect the full balance of accounts receivable.

Significant Customers

Revenue from significant customers, meaning those representing 10% or more of total revenue, was composed of one customer accounting for 83% of the Company's revenue for the year ended December 31, 2023. Three customers accounted for 17%, 15%, and 13%, respectively, of the Company's revenue for the year ended December 31, 2022. Accounts receivable from significant customers, those representing 10% or more of the total accounts receivable, was composed of four customers accounting for 43%, 22%, 15%, and 15%, respectively, of the Company's accounts receivable balance as of December 31, 2023. Two customers accounted for 64%, and 35%, respectively, of the Company's accounts receivable balance as of December 31, 2022.

Supplier Risk

Certain materials used by the Company in the manufacturing of its products are available from a limited number of suppliers. Shortages could occur in these materials due to an interruption of supply or increased demand in the industry. Three suppliers accounted for 21%, 19%, and 15% of total purchases for the year ended December 31, 2023. Two suppliers accounted for 25% and 11% of total purchases for the year ended December 31, 2022.

Other Risks and Uncertainties

The Company is subject to certain other risks and uncertainties, including, but not limited to, changes in any of the following areas that the Company believes could have a material adverse effect on its future financial position or results of operations: the Company's ability to advance the development its products; market acceptance of its products; performance of third-party data center vendors; competition from other companies with greater financial resources or expertise; protection of intellectual property; litigation or claims brought by or made against the Company relating to intellectual property or other factors; and its ability to attract and retain employees necessary to support its growth.

The Company's business and operations may be affected by worldwide economic conditions, which may continue to be impacted by global macroeconomic challenges, such as the effects of the ongoing conflict between Russia and Ukraine and between Israel and Palestine, tensions between the United States and China, uncertainty in the financial markets, including disruptions in the banking industry and inflationary trends.

Revenue Recognition

The Company recognizes revenue in accordance with ASC 606,*Revenue from Contracts with Customers*, which provides a five-step framework through which revenue is recognized when control of promised goods or services is transferred to a customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. To determine revenue recognition for arrangements that the Company concludes are within the scope of ASC 606, management performs the following five steps: (i) identifies the contract(s) with a customer; (ii) identifies the performance obligations in the contract(s); (iii) determines the transaction price, including whether there are any constraints on variable consideration; (iv) allocates the transaction price to the performance obligations; and (v) recognizes revenue when (or as) the Company satisfies a performance obligation.

Revenue is recognized when control of the promised goods or services, through performance obligations by the Company, is transferred to the customer in an amount that reflects the consideration it expects to be entitled to in exchange for the performance obligations.

The Company combines and accounts for multiple contracts as a single contract when they are negotiated together with the same customer at or near the same time in order to achieve a single commercial objective, or when the contracts are related in other ways.

Transaction price may be comprised of fixed consideration, variable consideration, significant financing component, non-cash consideration, and consideration payable to a customer. The Company's contracts are typically for fixed consideration.

For all contracts with customers that have more than one performance obligation, the Company allocates the transaction price to each separate performance obligation based on the relative SSP of each performance obligation. The SSP is typically the price at which the Company sells a promised good or service separately to a customer. The best evidence of an SSP, if available, is the observable price charged in similar circumstances and to similar customers. If an SSP is not directly observable, the Company estimates SSP using various observable inputs including historical internal pricing data and cost-plus expected margin analysis due to the limited standalone sales history.

The Company generates revenue primarily from the sale of AI Systems, support services, cloud-based computing services and custom AI modeling services.

Hardware Sales Revenue and Installation, Integration, and Acceptance Testing

Hardware revenue primarily consists of sales of the Company's AI systems and other equipment. Revenue from the sale of AI systems is recognized upon transfer of control of promised goods to customers at a point in time. Revenue is recognized in an amount that reflects the consideration the Company expects to receive in exchange for those goods, net of allowances for returns, customer programs, and any taxes collected from customers. Generally, control of the goods transfers to the customer upon shipment, or delivery, depending on shipping terms, in the absence of installation, integration, and acceptance testing requirements. In certain cases, the Company may be contracted to install the hardware at the customer's facility, and subsequent to installation, the Company may provide further integration services and conduct acceptance testing. When installation, integration, and acceptance testing is bundled with the hardware, control of the goods is transferred upon meeting the contractual acceptance provisions. Transaction price allocated to installation and integration services is recognized at a point in time upon completion of services, which generally coincides with the timing of customer acceptance and recognition of

revenue for the AI system. Revenue for installation and integration services is included in Services and other on the consolidated statement of operations.

Other Equipment

Customers regularly contract with the Company to purchase other equipment as needed, such as racks, coolant distribution units, and power supply units. In arrangements where another party is involved in providing specified goods or services to a customer, the Company evaluates whether it is the principal or agent. In this evaluation, the Company considers if control of the specified goods or services is obtained before they are transferred to the customer, as well as other indicators such as the party primarily responsible for fulfillment, inventory risk, and discretion in establishing price. For revenue arrangements where the Company is not the principal, revenue is recognized on a net basis. For the periods presented, revenue for arrangements where the Company was determined to be the agent was not material. Revenue recognized from sales of additional equipment follows similar revenue recognition patterns as hardware sales.

Support Services

The Company sells support services—including software updates, and customer care support—in one-year, two-year, or three-year terms. The support services represent an obligation of the Company to stand-ready to provide an undefined quantity of support over the duration of the service term. Under the provisions of the arrangement, customers may make requests of the Company to deliver some or all of the customer support services at some point during the period defined in the contract, or the delivery of some or all of the services on a when-and-if-available basis may be in the control of the entity (i.e., software updates). The customer benefits from the Company's stand-ready obligation evenly throughout the contract period, and as a result, revenue is recognized ratably over the service term.

Cloud-based Computing Services

The Company also provides cloud-based computing services to customers. In each case, the totality of services provided represents a single integrated solution tailored to the customer's specific needs. As such, the performance obligations to the customers consists of a single integrated solution delivered as a series of distinct daily services. The customers benefit from the services over the contract term and as such revenue is recognized over time as services are provided.

AI Modeling Services

The Company also generates revenue from custom AI modeling service agreements with customers, whereby the Company is engaged to help customers throughout the AI workflow, starting with developing strategy, designing and building the model, and deploying the final model. The totality of services in such arrangements are broken into different milestones within the contract. In certain contracts, each milestone builds upon progress achieved in earlier milestones. Upon completion of each milestone, the Company provides a deliverable to the customer in certain contracts, which must be accepted by the customer in order to proceed with the next phase of the contract. Each milestone is typically for fixed consideration. If an SSP is not directly observable, the Company estimates SSP using various observable inputs including cost-plus expected margin analysis due to the limited standalone sales history. The Company recognizes revenue from AI modeling services over time as services are provided or at a point in time upon completion and acceptance by the customer of contract deliverables, depending on the terms of the agreement.

The Company generally warrants its products to be free of defects generally for a period of one to two years. This assurance-type warranty is not considered a separate performance obligation, and thus, no transaction price is allocated to it. The Company estimates its warranty costs based on historical warranty claim experience and includes such costs in the cost of sales.

Contract Assets and Liabilities

The payment terms and conditions in the Company's customer contracts vary. In some cases, customers prepay for their goods and services; in other cases, after appropriate credit evaluations, payment is due in arrears, typically no longer than one year. When the timing of the Company's delivery of hardware and provision of services is different from the timing of the payments made by customers, the Company recognizes either a contract asset or a contract liability.

Contract assets represent deferred cost of sales related to revenue that has not yet been recognized, and unbilled receivables related to revenue that has been recognized but not yet invoiced. The balance of contract assets was $0.2 million, $0.5 million and $0.5 million as of December 31, 2023, December 31, 2022 and December 31, 2021, respectively, in prepaid expenses and other current assets. Contract liabilities are recorded in deferred revenue and represent amounts that have been invoiced, or received in advance, but have not yet been recognized as revenue.

Revenue allocated to remaining performance obligations that is unsatisfied (or partially unsatisfied) includes amounts received from customers and amounts that will be invoiced and recognized as revenue in future periods, was $19.2 million as of December 31, 2023. The Company expects to recognize approximately 71% of this revenue over the next 12 months and the remainder thereafter.

Cash, Cash Equivalents, and Restricted Cash

Cash and cash equivalents include cash on hand and highly liquid investments with an original maturity of three months or less. The Company's cash and cash equivalents are invested in various investment grade institutional money market funds and bank money market and interest-bearing accounts.

Restricted cash includes cash and cash equivalents that are not readily available for use in the Company's operating activities. Restricted cash is attributable to minimum cash reserve requirements under the Company's letter of credit issued in connection with one of the Company's real estate leases.

Investments

Investments consist primarily of time deposits, U.S. Treasury securities, and corporate debt securities that have an initial maturity of greater than three months but less than or equal to one year at period-end.

The Company classifies its investments in debt securities as available for sale. These available-for-sale debt securities are reported at fair value. The fair value of interest-bearing debt securities includes accrued interest. Debt securities are carried at fair value, with the unrealized gains and losses reported as a component of accumulated other comprehensive loss, except for the changes in allowance for expected credit losses, which are recorded in other income, net. The Company determines any realized gains or losses on the sale of, or maturity of, debt securities on a specific identification method, and the Company records such realized gains and losses in other income, net.

All of the Company's available-for-sale debt investments are subject to a periodic impairment review. For available-for-sale debt securities in an unrealized loss position, the Company determines whether a credit loss exists. The credit loss is estimated by considering available information relevant to the collectability of the security and information about past events, current conditions, and reasonable and supportable forecasts. Any credit loss is recorded as a charge to other income, net, not to exceed the amount of the unrealized loss. Unrealized losses other than the credit loss are recognized in accumulated other comprehensive income (loss). If the Company has an intent to sell, or if it is more likely than not that the Company will be required to sell a debt security in an unrealized loss position before recovery of its amortized cost basis, it will write down the security to its fair value and record the corresponding charge as a component of other income, net. There were no credit losses or impairment charges for the years ended December 31, 2023 and 2022.

Fair Value of Financial Instruments

The Company determines fair value measurements used in its consolidated financial statements based upon the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy distinguishes between (i) market participant assumptions developed based on market data obtained from independent sources (observable inputs), and (ii) an entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs).

The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

- Level 1 inputs are quoted prices in active markets for identical assets and liabilities;
- Level 2 inputs, other than quoted prices included within Level 1, are observable for the asset or liability either directly or indirectly; and
- Level 3 inputs are not observable in the market.

The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The carrying amounts of the Company's financial instruments consisting of cash and cash equivalents, accounts receivable, accounts payable, and accrued liabilities approximate fair value due to their relatively short maturities. The fair value of investments is estimated using Level 2 inputs (Note 8). The fair value of warrant liabilities is estimated using Level 3 inputs (Note 11).

Accounts Receivable

The Company has trade receivables which are recorded at the invoiced amount and do not bear interest. The Company evaluates the collectability of accounts receivable on a regular basis based on economic assessment of market conditions and review of customer financial history. There was no allowance for credit losses recorded as of December 31, 2023 and 2022.

Inventory

Inventories consist of raw materials, work-in-progress and finished goods and are stated at the lower of cost or net realizable value. Costs are measured on a weighted average cost basis. Net realizable value is the estimated selling price of the Company's products in the ordinary course of business less reasonably predictable costs of completion, disposal, and transportation. Inventories are written down to their net realizable value if they have become obsolete, have a cost basis in excess of expected net realizable value, or are in excess of expected demand. Once inventory is written down, its new value is maintained until it is sold, scrapped, or written down for further valuation losses. The valuation of inventories requires the Company to make judgments based on currently available information about the likely method of disposition and current and future product demand relative to the remaining product life. Process and product development lifecycle corresponds with substantive engineering milestones. These engineering milestones are regularly and consistently applied in assessing the point at which activities and associated costs change in nature from research and development to cost of sales and when cost of sales can be capitalized as inventory. Inventory costs consist primarily of the cost of semiconductors, memory products, and other component parts purchased from subcontractors, including wafer fabrication, assembly, testing, and manufacturing support costs, including labor and overhead associated with such purchases, final test yield fallout, and shipping costs. Inventory is valued at the lower of cost or net realizable value, based upon assumptions about future demand and market conditions.

The valuation of inventory also requires the Company to estimate obsolete and excess inventory, as well as inventory that is not salable quality. Cost of sales is charged for inventory provisions to write down inventory to the lower of cost or net realizable value or to completely write off excess or obsolete inventory. Most inventory provisions relate to write-downs for inventory that is not salable quality.

Property and Equipment, Net

Property and equipment are recorded at cost, less accumulated depreciation. Expenditures for major additions and improvements to property and equipment are capitalized and repairs and maintenance costs are expensed as incurred. When assets are retired or disposed of, the cost and accumulated depreciation are removed from the respective accounts and any related gain or loss is recognized.

Property and equipment are depreciated using the straight-line method over the estimated useful lives of the property and equipment as follows:

Asset Category	Useful Life (Years)
Computer equipment	1.5 – 3
Furniture and fixtures	3
Software	3
Machinery and equipment	7
Leasehold improvements	Lesser of estimated useful life or remaining lease term

Estimated useful lives are periodically assessed to determine if changes are appropriate. When assets are retired or otherwise disposed of, the cost of these assets and related accumulated depreciation or amortization are removed from the accounts and any resulting gains or losses are included in loss from operations in the period of disposal.

Leases

Lessee Accounting

The Company determines if an arrangement is a lease at its inception. Operating leases with lease terms of more than 12 months are included in right-of-use assets and operating lease liabilities in the consolidated balance sheets. Right-of-use assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease liabilities and right-of-use assets are recognized at commencement date based on the present value of lease payments over the lease term. The Company uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments if an explicit rate is not available.

The right-of-use assets also includes any rent prepayments, lease incentives upon receipt, and straight-line rent expense impacts, which represent the differences between operating lease liabilities and right-of-use assets. Lease terms include options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. Lease and non-lease components have been combined.

Lessor Accounting

Leases not classified as sales-type or direct financing leases are classified as operating leases. If a lease that meets the criteria to be classified as either a sales-type or direct financing lease, and the application of such classification would result in the recognition of a selling loss, then the Company classifies such leases as an operating lease. The primary accounting criteria used to determine if the leases are sales-type or direct financing leases are: (i) review to determine if the lease transfers ownership of the underlying asset to the lessee by the end of the lease term, (ii) review to determine if the lease grants the lessee a purchase option that the lessee is reasonably certain to exercise, (iii) determine if the lease term is for a major part of the remaining economic life of the

underlying asset (iv) determine if the present value of the sum of the lease payments and any residual value guarantees equals or exceeds substantially all of the fair value of the underlying asset, (v) determine if the leased asset is of such a specialized nature that it is expected to have no alternative use to the Company at the end of the lease term, (vi) determine if the present value of the sum of the lease payments and any residual value guarantees by the lessee and/or any other third party unrelated to the lessor equals or exceeds substantially all of the fair value of the underlying asset, and (vii) determine if it is probable that the Company will collect the lease payments, plus any amount necessary to satisfy residual value guarantee. If none of the above criteria are met, the lease is classified as operating. The Company currently has only one lease as a lessor, which was initially classified as an operating lease and was subsequently classified as sales-type upon modification of the agreement with the customer. The Company recognized revenue associated with the sales-type lease upon delivery and acceptance by the customer.

Assets leased under an operating lease are carried at cost, less accumulated depreciation. These assets are depreciated to their estimated residual value using the straight-line method over the lesser of the lease term or estimated useful life of the asset. The Company recognizes operating lease revenue on a straight-line basis over the lease term. Impairment of equipment under operating leases is assessed on the same basis as other long-lived assets.

Impairment of Long-Lived Assets

The Company assesses the recoverability of its long-lived assets, including property and equipment and right-of-use assets, for indicators of impairment. If events or changes in circumstances indicate impairment, the Company measures recoverability by a comparison of the asset's carrying amount to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of the asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the asset exceeds the fair value of the asset. When quoted market prices are not available, the Company uses the expected future cash flows discounted at a rate commensurate with the risks associated with the recovery of the asset as an estimate of fair value. No impairment of long-lived assets was identified for the years ended December 31, 2023 and 2022.

Provision for Product Warranties

The Company offers product warranties ranging from one to two years against any defective products. These standard warranties are assurance-type warranties, and the Company does not offer any services beyond the assurance that the product will continue working as specified. Therefore, these warranties are not considered separate performance obligations in the arrangement. Based on historical experience, the Company accrues for estimated returns of defective products at the time revenue is recognized. The Company monitors warranty obligations and may make revisions to its warranty reserve if actual costs of product repair and replacement are significantly higher or lower than estimated. Accruals for anticipated future warranty costs are charged to cost of sales. Warranty accruals are based on estimates that are updated on an ongoing basis taking into consideration inputs such as new product introductions, changes in the volume of claims compared with the Company's historical experience, and the changes in the cost of servicing warranty claims. The Company accounts for the effect of such changes in estimates prospectively. The following table shows the changes in provision for product warranty during the year ended December 31, 2023 and 2022 (in thousands):

	Years Ended December 31,	
	2023	2022
Balance at beginning of year	$ 538	$ 250
Additions during the year	3,633	1,150
Utilization during the year	(1,109)	(216)
Change in estimates	571	(646)
Balance at end of year	$ 3,633	$ 538

Research and Development Costs

Research and development costs are expensed in the period incurred. Research and development expenses primarily consist of costs incurred in performing research and development activities and include salaries, stock-based compensation, employee benefits, tape-out costs, which include layout services, mask sets, prototype components, system qualification and testing incurred before releasing new system designs into production, data center costs, depreciation and amortization, professional services fees, cloud computing costs and facilities expenses.

The Company expenses software development costs, including costs to develop the software component of hardware to be sold, leased, or marketed to external users, before technological feasibility is reached. Technological feasibility is typically reached shortly before the release of such products and as a result, development costs that meet the criteria for capitalization were not material for the periods presented.

Income Taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets ("DTAs") and deferred tax liabilities ("DTLs") for the expected future tax consequences of events that have been included in the consolidated financial statements. Under this method, DTAs and DTLs are determined on the basis of the differences between the financial statement and tax bases of assets and liabilities by using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on DTAs and DTLs is recognized in income in the period that includes the enactment date.

The Company recognizes DTAs to the extent that these assets are more likely than not to be realized. In making such a determination, all available positive and negative evidence are considered, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If it is determined that the DTAs in the future in excess of their net recorded amount can be realized, an adjustment to the DTA valuation allowance will be made, which would reduce the provision for income taxes. Due to the Company's historical operating performance and net losses, the net deferred tax assets have been fully offset by a valuation allowance.

The Company records uncertain tax positions on the basis of a two-step process in which (1) determine whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, the largest amount of tax benefit that is more than 50% likely to be realized upon ultimate settlement with the related tax authority is realized. Changes in recognition or measurement are reflected in the period in which the judgment occurs. The Company's policy is to recognize interest and penalties related to the underpayment of income taxes as a component of the provision for income taxes.

Stock-Based Compensation

The Company's 2016 Equity Incentive Plan (as amended, the "Equity Incentive Plan") provides for the Company to grant incentive stock options ("ISOs"), non-statutory stock options ("NSOs"), restricted stock units ("RSUs"), and restricted stock awards ("RSAs") to employees, advisers, and directors. The Company measures stock-based compensation awards exchanged for employee services at fair value on the date of the grant and recognizes expense on a straight-line basis over the award's vesting period. The requisite service period generally equals the vesting period of the awards. The Company estimates the grant date fair value using the Black-Scholes option-pricing model. The fair value of RSUs and RSAs are based on the Company's stock price on the date of grant. The Company estimates forfeitures at the date of grant, based on historical experience, and revises, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The Company's estimates may be impacted by certain variables, including, but not limited to, stock price volatility, employee retirement eligibility dates, the Company's performance, and related tax impacts. For certain equity awards that have both service and performance conditions, the Company recognizes the expense over the requisite service period if it is probable that

the performance conditions will be achieved. The Company reassesses the achievement of the performance conditions at each reporting date and adjusts the stock-based compensation accordingly.

Treasury Stock

The Company records repurchases of common shares as treasury stock at cost and records subsequent retirements of treasury shares at cost. The amount of cash or other assets transferred to repurchase an equity award is charged to equity to the extent that the amount paid does not exceed the fair value of the equity instrument being repurchased at the repurchase date. Any amount paid in excess of fair value is attributed to the other elements of the transaction and accounted for according to their substance. When treasury shares are retired, the excess of the repurchase price over the par value of the shares acquired is allocated to both retained earnings and additional paid-in capital. The portion allocated to additional paid-in capital is calculated on a pro rata basis of the shares to be retired and the total shares issued and outstanding as of the date of retirement.

Foreign Currency Translation and Transaction Gains and Losses

The functional currencies of the Company's wholly owned subsidiaries in India, Canada and Japan are the Indian Rupee, Canadian Dollar, and Yen, respectively. Accordingly, asset and liability accounts of these subsidiaries are translated into U.S. dollars using the current exchange rate in effect at the balance sheet date and equity accounts are translated into U.S. dollars using historical rates. The revenues and expenses are translated using the average exchange rates in effect during the period, and gains and losses from foreign currency translation adjustments are included as a component of accumulated other comprehensive income in the consolidated balance sheet. Foreign currency translation adjustments are recorded in other comprehensive income (loss) in the consolidated statements of operations and comprehensive loss and were $0.1 million and $0.3 million during the years ended December 31, 2023 and 2022, respectively.

Foreign currency transaction gains and losses are included in other income (expense), net in the consolidated statements of operations and comprehensive loss and were not material during the years ended December 31, 2023 and 2022.

Comprehensive Loss

The Company is required to report all components of comprehensive loss, including net loss, in the financial statements in the period in which they are recognized. Comprehensive gain or loss is defined as a change in equity of a business enterprise during a period, resulting from transactions and other events and circumstances from non-owner sources. The Company's currency translation adjustment and unrealized gains and losses from marketable securities are the components of other comprehensive income (loss) that are excluded from the reported net loss for all periods presented.

Note 5 – Revenue

Disaggregation of Revenue

The Company recognizes revenue classified in hardware at a point in time, and revenue classified in services and other either at a point in time or over time. Revenue by point in time and over time was as follows (in thousands):

	Years Ended December 31,	
	2023	2022
Hardware revenue recognized point in time	$ 57,114	$ 15,599
Services and other revenue recognized point in time	5,345	5,548
Services and other revenue recognized over time	16,285	3,472
Total revenue	$ 78,744	$ 24,619

The deferred revenue balance represents payments received for performance obligations not yet satisfied. The following table shows the changes in deferred revenue during the year ended December 31, 2023 and 2022 (in thousands):

	Years Ended December 31,	
	2023	2022
Balance at beginning of year	$ 3,990	$ 4,816
Deferred revenue additions during year	24,102	4,857
Revenue recognized during year	(8,866)	(5,683)
Balance at end of year	$ 19,226	$ 3,990
Less: Long-term portion of deferred revenue	(5,551)	(1,428)
Balance at end of year – current portion	$ 13,675	$ 2,562

Revenue recognized during the year ended December 31, 2023 that was included in deferred revenue as of December 31, 2022 was $2.4 million. Revenue recognized during the year ended December 31, 2022 that was included in deferred revenue as of December 31, 2021 was $4.3 million.

Note 6 – Segment and Geographical Information

The Company operates as one operating segment. Operating segments are defined as components of an enterprise for which separate financial information is regularly evaluated by the chief operating decision maker (“CODM”), which is the Company’s Chief Executive Officer, in deciding how to allocate resources and assess performance. The Company’s CODM evaluates the Company’s financial information and resources and assesses the performance of these resources on a consolidated basis. The Company is not organized by market and is managed and operated as one business. Accordingly, the Company does not accumulate discrete financial information with respect to separate divisions and does not have separate operating or reportable segments. Since the Company operates as one operating segment, all required financial segment information can be found in the consolidated financial statements.

Revenue by geographic area is designated based upon the billing location of the customer. Revenue by geographic areas was as follows (in thousands):

	Years Ended December 31,	
	2023	2022
United States	$ 77,655	$ 19,195
Europe	1,059	5,424
Asia	30	—
Total revenue	$ 78,744	$ 24,619

The Company had property and equipment, net of $24 thousand and $29 thousand as of December 31, 2023 and 2022, respectively, located in India. The remainder of the Company's property and equipment, net is located in the United States.

Note 7 – Net Loss Per Share

Basic net loss per share is computed by dividing reported net loss by the weighted-average number of common shares outstanding for the reported period.

The Company's potential common share equivalents were as follows:

	Years Ended December 31,	
	2023	2022
Redeemable convertible preferred stock	77,032,857	77,032,857
Restricted stock	1,516,408	725,000
Early exercised shares subject to repurchase	95,905	400,145
Options to purchase common stock	33,705,603	28,535,425
Total potential common stock excluded from net loss per share	112,350,773	106,693,427

In computing diluted earnings per share, common share equivalents are not considered in periods in which a net loss is reported, as the inclusion of the common share equivalents would be antidilutive. Since the Company was in a net loss for all periods presented in these consolidated financial statements, diluted net loss per share was the same as basic net loss per share.

	Years Ended December 31,	
	2023	2022
Numerator:		
Net loss (in thousands)	$ (127,155)	$ (177,719)
Denominator:		
Weighted-average common shares outstanding (in thousands)	43,552	41,485
Net loss per common share – basic and diluted	$ (2.92)	$ (4.28)

Note 8 – Investments

The Company classifies its corporate debt securities and U.S. Treasury securities, which are accounted for as available-for-sale, and time deposits within Level 2 in the fair value hierarchy because it uses quoted market prices to the extent available or alternative pricing sources and models utilizing market observable inputs to determine fair value. There were no transfers between Level 1 and Level 2 during the years ended December 31, 2023 and 2022.

The following tables summarize the Company's investments (in thousands):

As of December 31, 2023					
	Fair Value Hierarchy	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury securities	Level 2	$ 113,434	$ 1,783	$ —	$ 115,217
Time deposits	Level 2	2,410	—	—	2,410
Total		$ 115,844	$ 1,783	$ —	$ 117,627

As of December 31, 2022					
	Fair Value Hierarchy	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Corporate debt securities	Level 2	$ 72,363	$ 28	$ (695)	$ 71,696
U.S. Treasury securities	Level 2	123,326	982	(27)	124,281
Time deposits	Level 2	3,280	—	—	3,280
Total		$ 198,969	$ 1,010	$ (722)	$ 199,257

The Company recognized gross realized gains of $0.2 million and $0.5 million for the years ended December 31, 2023 and 2022, respectively. The Company recognized gross realized losses of $0 and $20 thousand for the years ended December 31, 2023 and 2022, respectively. The Company reflects these gains and losses as a component of other income, net.

All of the Company's investments have a stated contractual maturity date of less than one year.

Note 9 – Balance Sheet Detail

Inventory was composed of the following (in thousands):

	Years Ended December 31,	
	2023	2022
Raw materials	$ 31,766	$ 11,952
Work in progress	7,331	3,865
Finished goods	9,985	3,719
Total inventory	$ 49,082	$ 19,536

As of December 31, 2023 and 2022, the Company's provision for excess and obsolete inventory was $1.3 million and $3.9 million, respectively.

During the years ended December 31, 2023 and 2022, the Company recorded a charge of approximately $2.5 million and $10.8 million, respectively, to cost of sales related to provision for excess and obsolete inventory and scrapped inventory, primarily related to the transition to the next generation of the Company's product offering.

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

	Years Ended December 31,	
	2023	2022
Prepaid expenses	$ 3,380	$ 2,019
Other receivables	2	1,355
Security deposit	247	229
Deferred cost of sales	127	504
Other prepaid expenses and current assets	283	347
Total prepaid expenses and other current assets	$ 4,039	$ 4,454

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

	Years Ended December 31,	
	2023	2022
Computer equipment	$ 25,997	$ 37,361
Software	1,584	1,584
Machinery and equipment	2,644	2,243
Leasehold improvements	488	399
Furniture and fixtures	12	12
Construction in progress	—	97
	30,725	41,696
Less: accumulated depreciation	(18,212)	(14,863)
Total property and equipment, net	$ 12,513	$ 26,833

During the year ended December 31, 2023, the Company recognized $1.5 million, $8.9 million, and $0.2 million of depreciation expense in cost of sales, research and development expenses, and general and administrative expenses on the consolidated statement of operations, respectively. During the year ended December 31, 2022, the Company recognized $0.3 million, $11.4 million, and $0.3 million of depreciation expense in cost of sales, research and development expenses, and general and administrative expenses on the consolidated statement of operations, respectively.

Accrued compensation was composed of the following (in thousands):

	Years Ended December 31,	
	2023	2022
Accrued vacation	$ 3,892	$ 4,061
Accrued bonuses	3,251	4,167
Other accrued compensation	450	675
Total accrued compensation	$ 7,593	$ 8,903

Other current liabilities were composed of the following (in thousands):

	Years Ended December 31,	
	2023	2022
Taxes payable	$ 788	$ 219
Sales taxes payable	845	100
Employee liability related to stock option exercise	164	—
Other current liabilities	33	43
Total other current liabilities	$ 1,830	$ 362

Note 10 – Redeemable Convertible Preferred Stock

In May 2016, the Company issued an aggregate of 32,058,817 shares of its Series A redeemable convertible preferred stock for gross proceeds of $27.2 million, or $0.85 per share, to certain stockholders pursuant to a stock purchase agreement. Subsequently, in 2020, the Company repurchased 327,423 shares of its Series A convertible preferred stock from certain investors at a purchase price of $18.32 per share and immediately retired such shares.

In January 2017, the Company issued an aggregate of 9,076,079 shares of its Series B redeemable convertible preferred stock for gross proceeds of $25.0 million, or $2.75 per share, to certain stockholders pursuant to a stock purchase agreement.

In July and October 2017, the Company issued an aggregate of 7,264,680 shares of its Series C redeemable convertible preferred stock for gross proceeds of $65.0 million, or $8.95 per share, to certain stockholders pursuant to a stock purchase agreement.

In November and December 2018, and February and April 2019, the Company issued an aggregate of 4,943,849 shares of its Series D redeemable convertible preferred stock for gross proceeds of $79.8 million, or $16.15 per share, to certain stockholders pursuant to a stock purchase agreement.

In November 2019, and between February and May 2020, the Company issued an aggregate of 14,848,436 shares of its Series E redeemable convertible preferred stock for gross proceeds of $272.1 million or $18.32 per share, to certain stockholders pursuant to a stock purchase agreement.

In October and November 2021, the Company issued an aggregate of 9,168,419 shares of its Series F redeemable convertible preferred stock for gross proceeds of $254.4 million or $27.74 per share, to certain stockholders pursuant to a stock purchase agreement.

The Company had the following shares of redeemable convertible preferred stock, $0.00001 par value per share, authorized, issued, and outstanding as of December 31, 2023 and 2022 (in thousands, except for share amounts):

	Shares Authorized	Shares Issued and Outstanding	Liquidation Preference	Net Carrying Value
Series A redeemable convertible preferred stock	31,731,394	31,731,394	$ 26,972	$ 26,924
Series B redeemable convertible preferred stock	9,076,079	9,076,079	25,000	24,955
Series C redeemable convertible preferred stock	7,264,680	7,264,680	65,000	64,952
Series D redeemable convertible preferred stock	4,943,849	4,943,849	79,822	79,735
Series E redeemable convertible preferred stock	14,916,649	14,848,436	272,096	272,023
Series F redeemable convertible preferred stock	10,812,837	9,168,419	254,376	254,191

The holders of redeemable convertible preferred stock have various rights and preferences, including the following:

Conversion

The redeemable convertible preferred stock is convertible, at any time and from time to time at the option of its holder, into fully paid and non-assessable shares of common stock at a 1:1 ratio, subject to certain adjustments for splits, dividends, other similar recapitalization, and the like.

Conversion of all classes of redeemable convertible preferred stock to shares of common stock is automatic in the event of a qualified initial public offering with a public offering price of at least $100 million in the aggregate.

Voting

The holders of the redeemable convertible preferred stock are entitled to vote, together with the holders of shares of common stock, as a single class, on all matters submitted to the stockholders for a vote and are entitled to the number of votes equal to the number of shares of common stock into which the shares of redeemable convertible preferred stock could convert on the record date for determination of stockholders entitled to vote.

Dividends

The holders of the redeemable convertible preferred stock are entitled to receive noncumulative dividends, as and if declared by the board of directors. The Company may not pay any dividends on shares of common stock of the Company unless the holders of shares of redeemable convertible preferred stock then outstanding first receive, or simultaneously receive, a dividend on each outstanding share of redeemable convertible preferred stock in an amount equal to 8% of the original issue price per share of such redeemable convertible preferred stock.

Liquidation Preference

In the event of any voluntary or involuntary liquidation, dissolution, or winding-up of the Company or deemed liquidation events, the holders of shares of redeemable convertible preferred stock then outstanding are entitled to be paid out of the funds and assets available for distribution to the Company's stockholders an amount per share equal to the greater of (a) the original issue price for such series of redeemable convertible preferred stock, plus any dividends declared but unpaid, or (b) such amount per share as would have been payable had all shares of such series of redeemable convertible preferred stock been converted into shares of common stock immediately prior to such liquidation, dissolution, winding-up, or deemed liquidation event.

Redemption

In addition, holders of the redeemable convertible preferred stock are eligible to demand redemption of their shares in the event of certain deemed liquidation events, as defined in the restated certificate of incorporation. Due to the various rights and privileges within the existing redeemable convertible preferred stock and common stockholder agreements, the Company concluded the triggering of a deemed liquidation event is not solely within the control of the Company and, accordingly, has presented the redeemable convertible preferred stock as temporary equity. As of December 31, 2023, the Company determined that a deemed liquidation event is not probable because there are currently no plans for a change of control, merger or consolidation, or sale of substantially all assets. Therefore, subsequent remeasurement of redeemable convertible preferred stock presented in temporary equity is not required. As of each reporting date and on an ongoing basis, the Company will continue to assess the probability of redemption.

Note 11 – Common Stock

As of December 31, 2023 and 2022, the Company was authorized to issue 168,000,000 shares and 158,000,000 shares of $0.00001 par value common stock, respectively. As of December 31, 2023 and 2022, the Company had

45,361,795 and 43,011,356 shares of common stock legally issued and outstanding, respectively, of which 95,905 and 400,145, respectively, shares of common stock were subject to repurchase as of such date for early exercised stock options. As of December 31, 2023 and 2022, the Company had 300,138 shares of common stock held as treasury shares, which may be used for issuance under the Equity Incentive Plan. All shares that were issued upon early exercise of stock options are considered legally issued and outstanding. However, for accounting purposes, only shares that are fully vested or are not subject to repurchase are considered issued and outstanding.

Below is a reconciliation of shares issued and outstanding:

	December 31,	
	2023	2022
Total shares of common stock legally issued and outstanding (including shares issued upon early exercise of stock options)	45,361,795	43,011,356
Less: Shares subject to repurchase for early exercised stock options	(95,905)	(400,145)
Total shares issued and outstanding not subject to repurchase	45,265,890	42,611,211

The voting, dividend, and liquidation rights of the holders of the Company's shares of common stock are subject to and qualified by the rights, powers, and preferences of the holders of shares of the Company's redeemable convertible preferred stock. Each share of common stock entitles the holder to one vote on all matters submitted to a vote of the Company's stockholders. Common stockholders are entitled to receive dividends, if any, as may be declared by the board of directors, subject to the preferential dividend rights of the preferred shares. Through December 31, 2023, no cash dividends had been declared or paid by the Company.

In August 2022, the Company issued 599,880 shares of common stock for gross proceeds of $10.0 million to a certain stockholder pursuant to a stock purchase agreement. Additionally, the board of directors authorized the repurchase of shares of the Company's common stock from certain founders and employees in August 2022. For the year ended December 31, 2022, the Company repurchased an aggregate of 599,880 shares for an aggregate purchase price of $10.0 million. The repurchased shares were immediately retired. All of the shares were repurchased above fair value, and as such, the amount paid in excess of fair value has been attributed to other elements of the transaction and accounted for according to their substance. In this case, the excess of $6.2 million was recognized in compensation expense as the repurchased shares of common stock had initially been issued as compensatory shares. Also, in connection with this transaction, the Company allocated $0.8 million to additional paid-in capital and $3.0 million to accumulated deficit. There were no shares repurchased during and for the year ended December 31, 2023.

Warrants

In August 2020, the Company entered into an equity arrangement with one of its customers whereby the Company issued a warrant that is exercisable for up to 68,213 shares of its Series E redeemable convertible preferred stock. The warrant is classified as a liability and remeasured to fair value and fall under Level 3 of the fair value hierarchy. As of December 31, 2023 and 2022, the warrant was valued at $1.1 million and $1.1 million, respectively. The Company provided services and issued the warrant to the customer, and the customer paid the consideration to the Company for the provision of services. The warrant has a contractual term of seven years and an exercise price of $0.00001 per share. The customer is able to either exercise the warrants at the exercise price or convert a portion of the warrants into a number of shares of Series E redeemable convertible preferred stock adjusted to equal the fair market value, less the exercise price.

The fair value of warrants is determined using a Black-Scholes option-pricing model as of the grant date. The amount representing the fair value of the equity provided to the customer from the warrant is recognized as adjustments of revenue in the consolidated statements of operations and comprehensive loss over the term of such commercial agreement or based on the achievement of certain performance targets in accordance with ASC 505-50.

The fair value of the warrant accrued was determined using the following assumptions:

	Years Ended December 31,	
	2023	2022
Remaining contractual life (years)	3.60	4.60
Expected volatility (%)	51.70	57.10
Expected risk-free interest rate (%)	4.01	3.99
Dividend yield (%)	—	—

The following table provides a reconciliation of the beginning and ending balances for the Level 3 warrant liability measured at fair value using significant unobservable inputs (in thousands):

	Warrant Liability
Balance as of January 1, 2022	$ 649
Change in fair value	492
Balance as of December 31, 2022	1,141
Change in fair value	(28)
Balance as of December 31, 2023	$ 1,113

For the years ended December 31, 2023 and 2022, a decrease in fair value of $28 thousand and an increase in $0.5 million related to the warrant was recognized in other income, net, respectively.

Note 12 – Stock-Based Compensation

The Equity Incentive Plan provides for the Company to grant ISOs, NSOs, RSUs, and RSAs to employees, advisers, and directors. As of December 31, 2023 and 2022, there were 51,711,838 and 45,711,838 equity awards authorized, respectively.

Stock Options

Stock options represent the right to purchase shares of common stock on the date of exercise at a stated exercise price. The exercise price of a stock option generally must be at least equal to the fair market value of the common stock on the date of grant. Options vest over periods of two years or more and are exercisable over a period of time not to exceed 10 years from the grant date. For the years ended December 31, 2023 and 2022, the Company recorded aggregate stock-based compensation expense of $26.6 million and $23.0 million, respectively.

Approximately $1.0 million and $1.4 million of the compensation expense recognized for the years ended December 31, 2023 and 2022, respectively, was attributed to certain share-based awards, which provided the employee the option to choose between equity or cash, of which approximately $0.4 million and $0.7 million was included in accrued compensation on the consolidated balance sheets as of December 31, 2023 and 2022, respectively.

Approximately $9.0 million and $2.4 million of the compensation expense recognized for the years ended December 31, 2023 and 2022, respectively, was attributed to sales of shares of common stock by certain current and former employees of the Company to certain economic interest holders in the Company, through secondary market transactions, where the excess price paid above fair value for shares was recorded as stock-based compensation expense.

Approximately $0 and $6.2 million of the compensation expense recognized for the years ended December 31, 2023 and 2022, respectively, was attributable to the allocation of the excess price paid above fair value of shares for

shares repurchased from employees during the year by the Company. Stock-based compensation expense is reflected in research and development, general and administrative, sales and marketing, and cost of sales on the consolidated statements of operations.

The terms of the plan permit certain option holders to exercise options before their options are vested, subject to certain limitations. Upon early exercise, the awards become subject to a restricted stock agreement. The shares of restricted stock granted upon early exercise of the options are subject to the same vesting provisions in the original stock option awards. Shares issued as a result of early exercise that have not been vested are subject to repurchase by the Company upon termination of the purchaser's employment, at the price paid by the purchaser. Such shares are not deemed to be issued for accounting purposes until they vest.

The liability is reclassified into common stock and additional paid-in capital as the shares vest and the repurchase right lapses. As of December 31, 2023 and 2022, 95,905 and 400,145 unvested shares, respectively, were held by employees. Accordingly, the Company recorded the unvested portion of the exercise proceeds of $0.2 million and $1.0 million as a liability from the early exercise in the accompanying consolidated balance sheets as of December 31, 2023 and 2022, respectively.

The following table summarizes the Company's stock option activity and related information:

	Number of Shares	Weighted Average Exercise Price	Aggregate Intrinsic Value (in thousands)	Weighted Average Remaining Life
Outstanding, as of January 1, 2023	28,535,425	$ 3.64	$ 88,101	7.32
Granted	11,724,523	$ 5.02		
Exercised during period	(2,373,505)	$ 2.52		
Forfeited	(2,986,951)	$ 5.45		
Expired	(1,193,889)	$ 4.02		
Outstanding and Exercisable, as of December 31, 2023	33,705,603	$ 4.02	$ 59,924	7.24

The aggregate intrinsic value of options is calculated as the difference between the exercise price of the stock options and the fair value of the Company's shares of common stock for those options that had exercise prices lower than the fair value of the Company's shares of common stock. The total intrinsic value for stock options exercised during the years ended December 31, 2023 and 2022, was $6.7 million and $8.7 million, respectively. The total intrinsic value of stock options vested during the years ended December 31, 2023 and 2022 was $8.6 million and $20.5 million, respectively.

The weighted-average grant date fair value of options granted was $3.05 and $4.18 per share for the years ended December 31, 2023 and 2022, respectively.

As of December 31, 2023 and 2022, the total remaining unrecognized compensation expense related to non-vested stock options was $42.0 million and $32.9 million, respectively, which will be amortized over the weighted-average period of 2.50 years and 2.55 years, respectively.

The fair value of each option award is determined on the date of grant using the Black-Scholes option-pricing model. The calculation of fair value includes several assumptions that require management's judgment. The absence of a public market for the Company's common stock requires the Company's board of directors with assistance from management and external valuation experts, to estimate the fair value of its common stock for purposes of granting options and for determining stock-based compensation expense by using a reasonable method of valuation and considering several objective and subjective factors, including obtaining contemporaneous independent third-party valuations, actual and forecasted operating and financial results, market conditions and performance of comparable publicly traded companies, developments and milestones in the Company, the rights and preferences of redeemable convertible preferred stock and common stock, and transactions involving the Company's stock. The fair value of

the Company's common stock was determined in accordance with applicable elements of the American Institute of Certified Public Accountants guide, Valuation of Privately Held Company Equity Securities Issued as Compensation.

The estimated fair value of stock options was determined using the Black-Scholes option-pricing model with the following weighted-average assumptions:

	Years Ended December 31,	
	2023	2022
Expected term of options (years)	5.87	6.03
Expected volatility (%)	60	59.91
Risk-free interest rate (%)	3.50 – 4.84	1.59 – 4.30
Expected dividend yield (%)	—	—

Expected term: The expected term of the stock options represents the period of time stock options are expected to be outstanding and is based on the "simplified method." Under this method, the term is estimated using the midpoint between the requisite service period and the contractual term of the option. This method is used due to the lack of sufficient historical exercise data.

Expected volatility: The expected volatility is a measure of the amount by which a financial variable, such as a share price has fluctuated (historical volatility) or is expected to fluctuate (expected volatility) during a period. As the Company does not yet have a sufficient history of its own volatility, the Company has identified several public entities of similar complexity and industry and calculates historical volatility based on the volatilities of these companies.

Risk-free interest rate: The risk-free interest rate is based on U.S. Treasury yield curve in effect at the time of grant.

Expected dividend yield: No dividends have been paid or expected to be paid by the Company.

Total stock-based compensation expense for the years ended December 31, 2023 and 2022 was as follows (in thousands):

	Years Ended December 31,	
	2023	2022
Cost of sales	$ 309	$ 223
Research and development	21,187	17,732
Sales and marketing	3,563	832
General and administrative	1,572	4,257
Total stock-based compensation expense	$ 26,631	$ 23,044

RSUs and RSAs

RSUs represent a right to receive one share of common stock for each RSU that vests. Unless otherwise determined by the Compensation Committee at the time of grant, vesting ceases on the date the participant no longer provides services to the Company and unvested shares are forfeited. If an RSU has not been forfeited, then on the date specified in the RSUs, the Company delivers to the holder a number of whole shares of common stock. Dividend equivalents, if any, are not credited in respect of shares covered by the RSUs, except as otherwise permitted by the Compensation Committee. As of December 31, 2023 and 2022, the Company had 1,516,408 and

725,000 non-vested RSUs, respectively. The Company has granted RSUs that vest on satisfaction of both service- and liquidity-based vesting conditions.

An RSA is an offer by the Company to sell shares of common stock that are subject to certain specified restrictions determined by the Compensation Committee. Prior to vesting or forfeiture, a participant will have all rights of a stockholder with respect to the shares of common stock underlying the RSA, including the right to receive dividends and vote the underlying shares of common stock; provided, however, the participant may not transfer the shares. As of December 31, 2023 and 2022, the Company had no unvested RSAs.

The following table summarizes RSU/RSA activity and related information:

	Number of Shares	Weighted Average Grant Date Fair Value
Non-Vested, as of December 31, 2022	725,000	$ 5.04
Granted	972,658	$ 5.11
Vested	—	$ —
Forfeited	(181,250)	$ 2.72
Non-Vested, as of December 31, 2023	1,516,408	$ 5.36

As of December 31, 2023 and 2022, the total remaining unrecognized compensation expense related to non-vested restricted stock was $8.1 million and $3.7 million, respectively. This unrecognized compensation expense will be recognized when the liquidity-based vesting condition becomes probable for certain restricted stock that have a performance condition, and service-based vesting condition will be satisfied over the weighted-average period of 2.04 years and 2.68 years, respectively. The total intrinsic value of restricted stock vested in 2023 and 2022 was approximately $0 and $0.2 million, respectively.

Note 13 – Income Taxes

The components of loss before income taxes were as follows (in thousands):

	Years Ended December 31,	
	2023	2022
Domestic	$ (129,008)	$ (179,214)
Foreign	1,985	1,699
Loss, before income taxes	$ (127,023)	$ (177,515)

The components of the income tax expense were as follows (in thousands):

	December 31,	
	2023	2022
Current		
Federal	$ —	$ —
State	3	—
Foreign	113	90
Total current tax expense	116	90
Deferred		
Federal	—	—
State	—	—
Foreign	16	114
Total deferred tax expense	16	114
Total income tax expense	$ 132	$ 204

A reconciliation of the Company's recorded income tax expense to the U.S. statutory rate was as follows (in thousands):

	Years Ended December 31,	
	2023	2022
Income taxes computed at U.S. federal statutory rate	$ (26,675)	$ (37,278)
Stock based compensation	3,487	2,528
Foreign rate differential	9	140
Tax credits, net	(2,483)	(4,496)
Change in valuation allowance	24,272	38,864
Other	1,522	446
Income tax expense	$ 132	$ 204

Deferred income taxes arise from temporary differences between the carrying value of assets and liabilities for financial reporting purposes and income tax reporting purposes, as well as net operating losses and tax credit

carryforwards. Significant components of the Company's deferred tax assets and liabilities were as follows (in thousands):

	December 31,	
	2023	2022
Deferred Tax Assets:		
Net operating losses	$ 104,852	$ 91,498
Allowances and accruals	3,896	2,679
Tax credits	26,298	22,482
Stock-based compensation	5,192	3,255
Lease liability	56	252
Capitalized research and development	43,582	30,900
Other	510	623
Gross deferred tax assets	184,386	151,689
Less: Valuation Allowance	(184,340)	(151,408)
Net deferred tax assets	46	281
Deferred Tax Liabilities:		
Right-of-use asset	(48)	(240)
Other	(130)	(155)
Gross deferred tax liabilities	(178)	(395)
Net deferred tax liabilities	$ (132)	$ (114)

The realization of deferred tax assets is dependent upon the generation of sufficient taxable income of the appropriate character in future periods. The Company regularly assesses the ability to realize its deferred tax assets and establishes a valuation allowance if it is more-likely-than-not that some portion of the deferred tax assets will not be realized. The Company weighs all available positive and negative evidence, including its earnings history and results of recent operations, scheduled reversals of deferred tax liabilities, projected future taxable income, and tax planning strategies. Due to the weight of objectively verifiable negative evidence, including its history of losses in the United States, the Company believes that it is more likely than not that its U.S. federal and state deferred tax assets will not be realized. Accordingly, the Company has recorded a valuation allowance on such deferred tax assets. The valuation allowance against the Company's various deferred tax assets increased by $32.9 million and $47.9 million during the years ended December 31, 2023 and December 31, 2022, respectively.

As of December 31, 2023, the Company had federal, state, and foreign net operating loss carryforwards in the amount of $333.8 million, $395.5 million, and $10 thousand, respectively, available to offset future taxable income. The federal net operating loss has an indefinite carryforward period but is limited to offset 80% of taxable income in the year utilized, except for $20.6 million that will begin to expire in 2036. The state net operating loss carryforwards have various carryover periods and will begin to expire as early as 2036.

As of December 31, 2023, the Company had federal, California, and Canadian research and development credit carryforwards of $28.1 million, $22.6 million, and $2 million, respectively. The federal research and development credits will begin to expire in 2037, the California research and development credits have no expiration, and the Canadian research and development credits will begin to expire in 2041.

Utilization of the Company's net operating loss and credits may be subject to annual limitations due to the ownership change limitations provided by section 382 of the Internal Revenue Code ("Section 382") and similar provisions. If ownership changes within the meaning of Section 382 have occurred, the amount of remaining tax attribute carryforwards available to offset future taxable income and income taxes in future years may be restricted. Further, the Company's deferred tax assets, along with the corresponding valuation allowance, associated with such

tax attributes could be impacted upon an ownership change within the meaning of Section 382. Due to the existences of the valuation allowance, changes in the Company's deferred tax assets from any such limitation will not impact the Company's effective tax rate. The Company's net operating loss carryforwards and credits could expire before utilization if subject to annual limitations.

The following table summarizes the activity related to the Company's unrecognized tax benefits (in thousands):

	December 31,	
	2023	2022
Gross unrecognized tax benefits, beginning of year	$ 22,368	$ 14,499
Gross increases related to prior-year positions	—	—
Gross decreases related to prior-year positions	(974)	—
Gross increases related to current-year positions	4,345	7,869
Gross unrecognized tax benefits, end of year	$ 25,739	$ 22,368

All of the Company's tax years remain open for examination by U.S. federal and state tax authorities. The non-U.S. tax returns remain open for examination for the years 2020 and onwards. Due to the Company's federal and state valuation allowance, none of the unrecognized tax benefits as of December 31, 2023 and December 31, 2022, respectively, would affect the effective tax rate if recognized. As of December 31, 2023 and 2022, there were no accrued interest and penalties related to uncertain tax positions. The Company does not believe its unrecognized tax benefits will significantly change in the next 12 months.

U.S. income tax has not been recognized on the excess of the amount for financial reporting over the tax basis of investments in foreign subsidiaries that is indefinitely reinvested outside the United States. As a result of the Tax Act, the tax impact of future distributions of foreign earnings would generally be limited to withholding tax from local jurisdictions. The amount of the deferred tax liability on the excess of the amount for financial reporting over the tax basis of investments in foreign subsidiaries was not material.

Note 14 – Leases

As a Lessee

The Company's lease obligations consist of operating leases for facilities and offices. The extension periods have not been included in the determination of the right-of-use assets or the lease liability for operating leases as the Company did not consider it reasonably certain that it would exercise these options. The Company has elected not to recognize right-of-use assets and operating lease liabilities that arise from short-term (12 months or less) leases for any class of underlying assets. The Company has elected not to separate lease and non-lease components for any class of underlying asset.

As of December 31, 2023, future minimum lease payments of the Company's operating lease liabilities were due as follows (in thousands):

Year ending December 31,	Operating Leases
2024	$ 348
2025	156
2026	104
Total future lease payments	$ 608
Less: Imputed interest	(48)
Present value of operating lease liabilities	$ 560

As of December 31, 2023 and 2022, the remaining weighted-average lease term is 2.09 years and 2.26 years, respectively, and weighted-average discount rate used to determine the operating lease liability is 7.3% and 6.9%, respectively. During the years ended December 31, 2023 and 2022, the Company incurred total operating lease expenses of $0.8 million and $1.4 million, respectively. During the years ended December 31, 2023 and 2022, the Company incurred variable lease costs of $0.6 million and $0.1 million, respectively.

During the years ended December 31, 2023 and 2022, the Company's costs related to short-term lease arrangements for real estate were $2.2 million and $0.5 million, respectively.

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

	Years Ended December 31,	
	2023	2022
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating leases	$ 803	$ 731
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	$ —	$ 1,119

On November 10, 2023, the Company entered into a 41-month lease agreement with the owner and landlord of a data center in Stockton, California. The lease commences January 4, 2024, terminates May 31, 2027, and is an operating lease. The agreement includes a non-recurring custom installation fee of $2.7 million due in 2024. Monthly recurring charges for rent and power are $0.6 million per month from June 2024 through May 2026, increasing to $0.7 million per month through May 2027. The agreement also includes variable monthly charges for metered power usage. Monthly recurring charges for rent and power shall be abated during the first five months of the term of the lease.

As a Lessor

As of January 1, 2022, the Company had an operating lease arrangement where it was acting as a lessor, leasing equipment to a customer for a term of three years. From January 1, 2022 to July 4, 2022, operating lease income was $0.7 million and operating lease depreciation expense was $0.1 million, which is included in revenue and cost of sales, respectively, on the consolidated statements of operations.

On July 5, 2022, the lease was modified, which resulted in a sales-type lease of the equipment. Lease income recognized was as follows (in thousands):

	Statement of Operations	Years Ended December 31,	
		2023	2022
Operating income			
Selling price as lease commencement	Revenue	$ —	$ 2,250
Cost of underlying asset	Cost of Sales	—	(482)
Total operating income		—	1,768
Interest income on lease receivable	Other income, net	32	456
Total lease income		$ 32	$ 2,224

As of December 31, 2023, the lease receivable balance under this arrangement was $0. As of December 31, 2022 the lease receivable balance under this arrangement was as follows (in thousands):

	December 31, 2022
Total minimum lease payments receivable	$ 1,387
Less: unearned income	(32)
Recorded lease receivable in sales-type lease	$ 1,355

The lease receivable balance as of December 31, 2022 was collected in full during the year ended December 31, 2023. As of December 31, 2022, the lease receivable in this sales-type lease was classified to prepaid expenses and other current assets in the consolidated balance sheets.

Note 15 – Commitments and Contingencies

The Company has entered into certain contracts to receive consulting and other services that represent unconditional purchase obligations to purchase goods or services that are enforceable and legally binding. Purchase commitments exclude agreements that are cancellable without penalty and unconditional purchase commitments with a remaining term of one year or less. As of December 31, 2023, future payments related to non-cancelable commitments under these contracts are due as follows: $8.7 million (2024), $8.7 million (2025), and $1.5 million (2026).

In the ordinary course of business, the Company may be subject from time to time to various proceedings, lawsuits, disputes, or claims. Although the Company cannot predict with assurance the outcome of any litigation, it does not believe there are currently any such actions that, if resolved unfavorable, would have a material impact on the Company's financial condition, results of operations, or cash flows.

Note 16 – Subsequent Events

The Company has evaluated all transactions through June 17, 2024, the date these consolidated financial statements were available to be issued and has determined that there are no other events, other than the following, that would require disclosure in or adjustment to these financial statements.

Series F-1 Financing

In May 2024, the Company entered into a Series F-1 redeemable convertible preferred stock purchase agreement (the "Series F-1 Purchase Agreement") with various investors. Pursuant to the Series F-1 Purchase Agreement, an entity affiliated with Group 42 Holding Ltd (together with its affiliates, "G42") agreed to purchase 22,851,296 shares of the Company's Series F-1 redeemable convertible preferred stock, and an existing stockholder agreed to purchase 3,069,577 shares of the Company's Series F-1 redeemable convertible preferred stock, in each case at a purchase price of $14.66 per share (the "Series F-1 Financing"). G42's purchase of shares in the Series F-1 Financing is subject to regulatory approval, as well as the satisfaction of customary closing conditions.

Pursuant to the Series F-1 Purchase Agreement, if G42, or certain third parties at the direction of G42, purchase more than $500.0 million in one purchase order, and less than $5.0 billion in the aggregate, of high-performance computing clusters from us (the "G42 Option Threshold"), the Company will grant G42 the option to purchase additional shares of Series F-1 redeemable convertible preferred stock (or, if such option is granted or exercised following the completion of the Company's initial public offering, shares of the Company's common stock), subject to the terms thereof (the "G42 Option"). The maximum number of shares that may be purchased pursuant to the G42 Option will be the quotient of (i) the total aggregate purchase price for the G42 Option, which will equal 10% of the value of the relevant purchaser order(s), divided by (ii) (A) if the G42 Option is granted and exercised prior to the completion of the Company's initial public offering, a price per share that is 17.5% below the price per share of the Company's then most recent arms-length sale of the Company's redeemable convertible preferred stock (excluding

the Company's Series F-1 redeemable convertible preferred stock), or (B) if the G42 Option is granted or exercised following the completion of the Company's initial public offering, a price per share that is 17.5% below the average closing price per share of the Company's common stock over the 30-day period prior to the G42 Option Threshold being met. The G42 Option expires on December 31, 2025. G42's ability to purchase shares in connection with the G42 Option is subject to regulatory approval.

Customer Prepayment

In April 2024, the Company and G42 entered into an agreement pursuant to which G42, or a third party nominee affiliated with G42, intends to issue purchase orders for the Company's AI supercomputer products for a minimum value of $300 million. Pursuant to the terms of the agreement, the Company received a prepayment of $300 million from G42 in May 2024, which is restricted to be used only for payments to third-party vendors to manufacture high performance computing infrastructure. If the purchase orders are not issued by G42, any portion of the prepayment not paid by the Company to its third-party vendors will be payable to G42 on demand and the Company's rights on inventory purchased from the prepayment will transfer to G42.

Headquarters Lease Renewal

In June 2024, the Company entered into an agreement to modify the lease for its headquarters located in Sunnyvale, California, to extend the term of the existing lease from December 1, 2024 to November 30, 2027. The Company expects to pay total rent of approximately $5.5 million for the extended term of the lease. The agreement also includes variable monthly charges for building operating costs. The agreement also provides for an improvement allowance for up to $0.3 million.

CEREBRAS SYSTEMS INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited, in thousands, except per share and share amounts)

	June 30, 2024	December 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents	$ 90,931	$ 34,761
Restricted cash	262,956	19
Investments	118,565	117,627
Accounts receivable	5,840	6,764
Inventories	78,020	49,082
Prepaid expenses and other current assets	15,510	4,039
Total current assets	571,822	212,292
Property and equipment, net	23,288	12,513
Right-of-use assets	25,141	519
Other assets	2,611	173
Total assets	$ 622,862	$ 225,497
LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK, AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 13,382	$ 14,694
Deferred revenue, current	33,716	13,675
Customer deposits	300,049	—
Forward contract liability	30,327	—
Accrued and other current liabilities	65,259	26,272
Total current liabilities	442,733	54,641
Deferred revenue, net of current portion	15,249	5,551
Other liabilities	21,412	1,487
Total liabilities	479,394	61,679
Commitments and contingencies (Note 15)		
Redeemable convertible preferred stock, $0.00001 par value per share: 104,386,199 shares and 78,745,488 shares authorized, at June 30, 2024 and December 31, 2023, respectively, 77,032,857 shares issued and outstanding as of June 30, 2024 and December 31, 2023	$ 722,780	$ 722,780
Stockholders' deficit		
Common stock, $0.00001 par value; 203,087,000 and 168,000,000 shares authorized at June 30, 2024 and December 31, 2023, respectively; 51,177,237 and 45,361,795 shares issued and outstanding as of June 30, 2024 and December 31, 2023 respectively	—	—
Additional paid in capital	148,386	101,578
Treasury stock, 300,138 shares of common stock outstanding as of June 30, 2024 and December 31, 2023	(88)	(88)
Accumulated other comprehensive income	550	1,103
Accumulated deficit	(728,160)	(661,555)
Total stockholders' deficit	(579,312)	(558,962)
Total liabilities, redeemable convertible preferred stock, and stockholders' deficit	$ 622,862	$ 225,497

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

CEREBRAS SYSTEMS INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited, in thousands, except per share data)

	Six Months Ended June 30,	
	2024	**2023**
Revenue		
Hardware	$ 104,269	$ 1,559
Services and other	32,133	7,105
Total revenue	136,402	8,664
Cost of sales		
Hardware	66,442	1,980
Services and other	13,941	2,306
Total cost of sales	80,383	4,286
Gross profit	56,019	4,378
Operating expenses		
Research and development	77,742	76,295
Sales and marketing	7,237	4,176
General and administrative	12,851	4,922
Total operating expenses	97,830	85,393
Loss from operations	(41,811)	(81,015)
Interest income	3,809	2,349
Other (expense) income, net	(28,284)	918
Loss before income taxes	(66,286)	(77,748)
Income tax expense	319	72
Net loss	$ (66,605)	$ (77,820)
Net loss per share – basic and diluted	$ (1.42)	$ (1.82)
Weighted average number of common shares outstanding, basic and diluted	46,945	42,857

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

CEREBRAS SYSTEMS INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(unaudited, in thousands)

	Six Months Ended June 30,	
	2024	**2023**
Net loss	$ (66,605)	$ (77,820)
Foreign currency translation adjustments, net of tax	(181)	22
Available-for-sale investments:		
Change in net unrealized (loss) / gain on debt securities, net of tax	(372)	1,222
Comprehensive loss	$ (67,158)	$ (76,576)

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

CEREBRAS SYSTEMS INC.
CONDENSED CONSOLIDATED STATEMENTS OF REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT

(unaudited, in thousands)	Redeemable Convertible Preferred Stock		Common Stock		Additional	Treasury Stock		Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Paid-in Capital	Shares	Amount			
Balance as of December 31, 2023	77,033	$ 722,780	45,362	$ —	$ 101,578	(300)	$ (88)	$ 1,103	$ (661,555)	$ (558,962)
Shares issued upon exercise of stock options, net of repurchases of early exercised stock options	—	—	5,815	—	14,051	—	—	—	—	14,051
Vesting of early exercised stock options	—	—	—	—	659	—	—	—	—	659
Stock-based compensation	—	—	—	—	31,806	—	—	—	—	31,806
Conversion of stock-based liability classified awards to stock-based equity classified awards	—	—	—	—	292	—	—	—	—	292
Foreign currency translation adjustments, net of tax	—	—	—	—	—	—	—	(181)	—	(181)
Change in net unrealized loss on debt securities, net of tax	—	—	—	—	—	—	—	(372)	—	(372)
Net loss	—	—	—	—	—	—	—	—	(66,605)	(66,605)
Balance as of June 30, 2024	77,033	$ 722,780	51,177	$ —	$ 148,386	(300)	$ (88)	$ 550	$ (728,160)	$ (579,312)
Balance as of December 31, 2022	77,033	$ 722,780	43,011	$ —	$ 68,473	(300)	$ (88)	$ (319)	$ (534,400)	$ (466,334)
Shares issued upon exercise of stock options, net of repurchases of early exercised stock options	—	—	1,009	—	2,439	—	—	—	—	2,439
Vesting of early exercised stock options	—	—	—	—	423	—	—	—	—	423
Stock-based compensation	—	—	—	—	8,773	—	—	—	—	8,773
Conversion of stock-based liability classified awards to stock-based equity classified awards	—	—	—	—	568	—	—	—	—	568
Foreign currency translation adjustments, net of tax	—	—	—	—	—	—	—	22	—	22
Change in net unrealized gain on debt securities, net of tax	—	—	—	—	—	—	—	1,222	—	1,222
Net loss	—	—	—	—	—	—	—	—	(77,820)	(77,820)
Balance as of June 30, 2023	77,033	$ 722,780	44,020	$ —	$ 80,676	(300)	$ (88)	$ 925	$ (612,220)	$ (530,707)

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

CEREBRAS SYSTEMS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, in thousands)

	Six Months Ended June 30,	
	2024	**2023**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (66,605)	$ (77,820)
Adjustments to reconcile net loss to net cash flows provided by (used in) operating activities:		
Depreciation and amortization expense	4,185	5,674
Stock-based compensation	32,329	9,260
Amortization of premium and accretion of discount on investments, net	(3,349)	(1,843)
Non-cash lease expense	2,554	290
Write-offs and provision for excess and obsolete inventories	2,057	983
Change in fair value of forward contract liability	30,327	—
Provision for product warranties	6,279	—
Other	600	861
Changes in operating assets and liabilities:		
Accounts receivable	924	(907)
Inventories	(33,895)	(9,007)
Prepaid expenses and other assets	(11,840)	1,881
Accounts payable	(2,111)	(1,616)
Deferred revenue	29,738	1,859
Customer deposits	300,049	—
Other liabilities	20,571	200
Net cash flows provided by (used in) operating activities	311,813	(70,185)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property and equipment	(11,788)	(454)
Purchases of investments	(152,823)	(138,884)
Maturities and sales of investments	154,861	194,828
Net cash flows (used in) provided by investing activities	(9,750)	55,490
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from exercise of stock options	18,253	2,439
Repurchases of early exercised stock options	(28)	(63)
Payments of deferred offering costs	(1,000)	—
Net cash flows provided by financing activities	17,225	2,376
Increase (decrease) in cash, cash equivalents, and restricted cash	319,288	(12,319)
Effect of exchange rate on cash	(181)	22
Cash, cash equivalents, and restricted cash beginning of period	34,780	26,196
Cash, cash equivalents, and restricted cash end of period	$ 353,887	$ 13,899
NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Transfer of property and equipment out of inventories	$ 4,978	$ 2,807
Transfer of property and equipment into inventories	2,077	470
Purchases of property and equipment included in accounts payable and accrued and other current liabilities	814	—
Vesting of early exercised options	659	423
Right-of-use assets obtained in exchange for lease obligations	27,176	—
Unpaid deferred offering costs included in accrued and other current liabilities	1,068	—

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

Note 1 – Nature of Operations

Cerebras Systems Inc. (the "Company" or "Cerebras") was incorporated in Delaware in April 2016. Cerebras is an enterprise artificial intelligence ("AI") company that designs and deploys an AI compute platform, purpose built for accelerating AI's most complex workloads. The Company's Wafer-Scale Engine ("WSE"), a chip encompassing an entire silicon wafer—specifically designed to tackle the computational demands of Generative AI ("GenAI") applications. The Company architects AI systems, utilizing WSE, and the integrated software connects these systems into a cluster to form supercomputers. The AI compute platform is designed to reduce training times and inference latencies, while reducing programming complexity. The Company leverages this technology to train AI models in collaboration with its customers. Since its inception, Cerebras Systems Inc. has dedicated resources to research and development activities that support its current projects and future development efforts. The Company is headquartered in Sunnyvale, California.

Note 2 – Basis of Presentation and Liquidity

The accompanying unaudited condensed consolidated financial statements are presented in accordance with accounting principles generally accepted in the United States of America ("GAAP") and the applicable rules and regulations of the U.S. Securities and Exchange Commission (the "SEC") and do not include all disclosures normally required in annual consolidated financial statements prepared in accordance with GAAP. These unaudited condensed consolidated financial statements and related notes should be read in conjunction with the Company's audited consolidated financial statements as of and for the years ended December 31, 2023, and 2022 that are included elsewhere in this prospectus. The unaudited condensed consolidated financial statements include all adjustments, including normal recurring adjustments and other adjustments, that are considered necessary for fair presentation of the Company's financial position and results of operations. All inter-company accounts and transactions have been eliminated. Operating results for the periods presented herein are not necessarily indicative of the results that may be expected for the entire year.

Management believes that the Company's current cash and cash equivalents and investments are adequate to meet its needs for the next 12 months from the issuance of these condensed consolidated financial statements.

Note 3 – Recent Accounting Pronouncements Not Yet Adopted

In November 2023, the FASB issued ASU No. 2023-07*Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*("ASU 2023-07"), which enhances the disclosures required for operating segments in the Company's annual and interim condensed consolidated financial statements. The disclosures required under ASU 2023-07 are also required for public entities with a single reportable segment. The ASU is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The Company is currently evaluating the impact of this ASU on its condensed consolidated financial statements.

In December 2023, the FASB issued ASU No. 2023-09*Income Taxes (Topic 740): Improvements to Income Tax Disclosures*("ASU 2023-09"). ASU 2023-09 requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The ASU is effective for public business entities for annual periods beginning after December 15, 2024. For all other entities, the standard is effective for annual periods beginning after December 15, 2025. Early adoption is permitted. The Company is currently evaluating the impact of this ASU on its condensed consolidated financial statements.

Note 4 – Significant Accounting Policies

There have been no significant changes during the six months ended June 30, 2024 and 2023 to the items disclosed in "Significant Accounting Policies" in Note 4 of the Company's audited consolidated financial statements for the years ended December 31, 2023 and 2022 included elsewhere in this prospectus, other than as described below:

Restricted Cash

Restricted cash includes cash and cash equivalents that are not readily available for use in the Company's operating activities. Restricted cash is primarily attributable to a cash advance received from a customer that the Company is contractually restricted to use for the limited purposes of satisfying obligations under a certain contract with that customer. See "Customer Deposits" for additional information.

Customer Deposits

In April 2024, the Company entered into an agreement with G42 (the "G42 April 2024 Agreement") pursuant to which G42, or a third party nominee affiliated with G42, indicated its intent to issue purchase orders for AI supercomputer products and services for a minimum value of $300 million. Pursuant to the G42 April 2024 Agreement, the Company received a prepayment of $300 million from G42 in May 2024 to be used for payments to third-party vendors to manufacture high performance computing infrastructure. If the purchase orders are not issued by G42, any portion of the prepayment not paid to the Company's third-party vendors will be payable to G42 on demand and the Company's rights to inventory purchased with the prepayment will transfer to G42.

In May 2024, the Company also entered into an agreement with G42 (the "G42 May 2024 Agreement") pursuant to which the Company agreed to certain pricing commitments with G42 through the end of 2025, and G42 agreed that it will purchase, or will cause a third party that may be affiliated or unaffiliated and under a commercial agreement with G42 to purchase, high-performance computing systems, installation, and support services in an aggregate amount of approximately $1.43 billion by completing the prepayment of such amount before February 28, 2025 and executing binding purchase orders totaling such amount. Subsequent to June 30, 2024, the Company received certain purchase orders from G42. As of June 30, 2024, the Company recorded the $300 million received pursuant to the G42 April 2024 Agreement as a customer deposit on the condensed consolidated balance sheet. See Note 16 for additional information.

Deferred Offering Costs

Deferred offering costs, consisting of legal, accounting, and other fees and costs relating to the Company's planned initial public offering, are capitalized within other assets on the condensed consolidated balance sheet. The deferred offering costs will be offset against the proceeds received by the Company upon the completion of the planned initial public offering. In the event the planned initial public offering is terminated, all of the deferred offering costs will be expensed as general and administrative expense. As of June 30, 2024 and December 31, 2023, the deferred offering costs were $2.0 million and $0, respectively.

Forward Contract Liability

The Company determined that its obligation to issue, and the Company's investors' obligation to purchase, shares of Series F-1 redeemable convertible preferred stock at a fixed price in the future represented a freestanding financial instrument ("forward contract liability") and is classified as a liability because the underlying shares of forward contract liability are redeemable upon the occurrence of certain events outside the control of the Company. This liability is measured at fair value upon initial recognition and at each subsequent reporting date through the settlement date, with changes in fair value for each reporting period recognized in other (expense) income, net on the consolidated statements of operations.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period.

Areas of significant estimates include, but are not limited to, revenue recognition, including the determination of the standalone selling price ("SSP") of performance obligations, useful life of property, plant and equipment, product warranty accruals, impairment of long-lived assets, the market value of and demand for inventory, valuation allowance on deferred income tax assets, the fair value of common stock, and other assumptions used to measure stock-based compensation, forward contract liability, and warrant liability. The Company bases its estimates on historical experience, known trends, and other market-specific or other relevant factors that it believes to be reasonable under the circumstances. On an ongoing basis, management evaluates its estimates when there are changes in circumstances, facts, and experience. Changes in estimates are recorded prospectively in the period in which they become known. Actual results could significantly differ from those estimates.

Risks and Uncertainties

Customer Concentration

Revenue from significant customers, meaning those representing 10% or more of total revenue, was composed of one customer accounting for 87% of the Company's revenue for the six months ended June 30, 2024. Two customers accounted for 43% and 14%, respectively, of the Company's revenue for the six months ended June 30, 2023. Accounts receivable from significant customers, meaning those representing 10% or more of the total accounts receivable, was composed of two customers accounting for 68% and 16%, respectively, of the Company's accounts receivable balance as of June 30, 2024. Four customers accounted for 43%, 22%, 15%, and 15%, respectively, of the Company's accounts receivable balance as of December 31, 2023

Supplier Concentration

Certain materials used by the Company in the manufacturing of its products are available from a limited number of suppliers. Shortages could occur in these materials due to an interruption of supply or increased demand in the industry. Two suppliers accounted for 26% and 15% of total purchases for the six months ended June 30, 2024. One supplier accounted for 47% of total purchases for the six months ended June 30, 2023.

Note 5 – Revenue

Disaggregation of Revenue

The Company recognizes revenue classified in hardware at a point in time, and revenue classified in services and other either at a point in time or over time. Revenue by point in time and over time was as follows (in thousands):

	Six Months Ended June 30,	
	2024	2023
Hardware revenue recognized point in time	$ 104,269	$ 1,559
Services and other revenue recognized point in time	147	1,490
Services and other revenue recognized over time	31,986	5,615
Total revenue	$ 136,402	$ 8,664

The deferred revenue balance represents payments received for performance obligations not yet satisfied. The following table shows the changes in deferred revenue during the six months ended June 30, 2024, and 2023 respectively (in thousands):

	Six Months Ended June 30,	
	2024	2023
Balance at beginning of period	$ 19,226	$ 3,990
Deferred revenue additions during period	88,220	4,009
Revenue recognized during period	(58,481)	(2,150)
Balance at end of period	$ 48,965	$ 5,849
Less: Long-term portion of deferred revenue	(15,249)	(1,070)
Balance at end of period – current portion	$ 33,716	$ 4,779

Revenue recognized during the six months ended June 30, 2024 that was included in deferred revenue as of December 31, 2023 was $8.7 million. Revenue recognized during the six months ended June 30, 2023 that was included in deferred revenue as of December 31, 2022 was $1.4 million.

Contract assets represent deferred cost of sales related to revenue that has not yet been recognized and unbilled receivables related to revenue that has been recognized but not yet invoiced. The balance of contract assets was $4.3 million and $0.2 million as of June 30, 2024 and December 31, 2023, respectively, in prepaid expenses and other current assets. Contract liabilities are recorded in deferred revenue and represent amounts that have been invoiced or received in advance but have not yet been recognized as revenue.

Revenue allocated to remaining performance obligations that is unsatisfied (or partially unsatisfied), which includes deferred revenue and amounts that will be invoiced and recognized as revenue in future periods, was $49.0 million as of June 30, 2024. The Company expects to recognize approximately 69% of this revenue over the next 12 months and the remainder thereafter. This excludes revenue related to performance obligations for contracts with a length of one year or less.

Note 6 – Segment and Geographical Information

The Company operates as one operating segment. Operating segments are defined as components of an enterprise for which separate financial information is regularly evaluated by the chief operating decision maker ("CODM"), which is the Company's Chief Executive Officer, in deciding how to allocate resources and assess performance. The Company's CODM evaluates the Company's financial information and resources and assesses the performance of these resources on a consolidated basis. The Company is not organized by market and is managed and operated as one business. Accordingly, the Company does not accumulate discrete financial information with respect to separate divisions and does not have separate operating or reportable segments. Since the Company operates as one operating segment, all required financial segment information can be found in the condensed consolidated financial statements.

Revenue by geographic area is designated based upon the billing location of the customer. Revenue by geographic areas was as follows (in thousands):

	Six Months Ended June 30,	
	2024	2023
United States	$ 133,080	$ 7,992
Europe	3,322	642
Asia	—	30
Total revenue	$ 136,402	$ 8,664

As of June 30, 2024 and December 31, 2023, substantially all of the Company's property and equipment was located in the United States.

Note 7 – Net Loss Per Share

Basic net loss per share is computed by dividing reported net loss by the weighted-average number of common shares outstanding for the reported period.

The Company's potential common share equivalents were as follows:

	June 30, 2024	Dec 31, 2023
Redeemable convertible preferred stock	77,032,857	77,032,857
Restricted stock	1,573,908	1,516,408
Early exercised shares subject to repurchase	746,473	95,905
Options to purchase common stock	36,684,248	33,705,603
Total potential common stock excluded from net loss per share	116,037,486	112,350,773

In computing diluted earnings per share, common share equivalents are not considered in periods in which a net loss is reported, as the inclusion of the common share equivalents would be antidilutive. Since the Company was in a net loss for all periods presented in these condensed consolidated financial statements, diluted net loss per share was the same as basic net loss per share.

	For the Six Months Ended	
	June 30, 2024	June 30, 2023
Numerator:		
Net loss (in thousands)	$ (66,605)	$ (77,820)
Denominator:		
Weighted-average common shares outstanding (in thousands)	46,945	42,857
Net loss per common share – basic and diluted	$ (1.42)	$ (1.82)

Note 8 – Investments

The Company classifies its U.S. Treasury securities, which are accounted for as available-for-sale, and time deposits within Level 2 in the fair value hierarchy because it uses quoted market prices to the extent available or alternative pricing sources and models utilizing market observable inputs to determine fair value. There were no transfers between Level 1 and Level 2 as of June 30, 2024 and December 31, 2023.

The following tables summarize the Company's investments (in thousands):

	As of June 30, 2024				
	Fair Value Hierarchy	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury securities	Level 2	$ 113,663	$ 1,411	$ —	$ 115,074
Time deposits	Level 2	3,491	—	—	3,491
Total		$ 117,154	$ 1,411	$ —	$ 118,565

	As of December 31, 2023				
	Fair Value Hierarchy	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury securities	Level 2	$ 113,434	$ 1,783	$ —	$ 115,217
Time deposits	Level 2	2,410	—	—	2,410
Total		$ 115,844	$ 1,783	$ —	$ 117,627

Net realized gains and losses were not significant for each period presented. All of the Company's investments have a stated contractual maturity date of less than one year.

Note 9 – Balance Sheet Detail

Inventories was composed of the following (in thousands):

	June 30, 2024	Dec 31, 2023
Raw materials	$ 49,751	$ 31,766
Work in progress	5,398	7,331
Finished goods	22,871	9,985
Total inventories	$ 78,020	$ 49,082

As of June 30, 2024 and December 31, 2023, the Company's provision for excess and obsolete inventory was $0.9 million and $1.3 million, respectively.

During the six months ended June 30, 2024 and 2023, the Company recorded a charge of approximately $2.1 million and $1.0 million, respectively, to cost of sales related to provision for excess, obsolete, and scrapped inventory, primarily related to the transition to the next generation of the Company's product offering.

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

	June 30, 2024	Dec 31, 2023
Prepaid expenses	$ 10,748	$ 3,380
Other current assets	4,762	659
Total prepaid expenses and other current assets	$ 15,510	$ 4,039

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

	June 30, 2024	Dec 31, 2023
Computer equipment	$ 31,223	$ 25,997
Software	1,584	1,584
Machinery and equipment	3,558	2,644
Leasehold improvements	3,496	488
Furniture and fixtures	12	12
Construction in progress	4,493	—
	44,366	30,725
Less: accumulated depreciation	(21,078)	(18,212)
Total property and equipment, net	$ 23,288	$ 12,513

During the six months ended June 30, 2024, the Company recognized $0.5 million, $3.6 million, and $0.1 million of depreciation expense in cost of sales, research and development expenses, and general and administrative expenses on the consolidated statement of operations, respectively. During the six months ended June 30, 2023, the Company recognized $1.2 million, $4.3 million, and $0.1 million of depreciation expense in cost of sales, research and development expenses, and general and administrative expenses on the consolidated statement of operations, respectively.

Accrued and other current liabilities was composed of the following (in thousands):

	June 30, 2024	Dec 31, 2023
Accrued expenses	$ 24,313	$ 12,688
Accrued compensation	11,578	7,593
Provision for product warranty	9,280	3,633
Operating lease liability, current	7,864	318
Sales tax payable	7,445	845
Liability related to early exercised options	3,724	210
Other	1,055	985
Total accrued and other current liabilities	$ 65,259	$ 26,272

Other liabilities were composed of the following (in thousands):

	June 30, 2024	Dec 31, 2023
Operating lease liability, non-current	$ 20,109	$ 242
Warrant liability	1,128	1,113
Other	175	132
Total other liabilities	$ 21,412	$ 1,487

The following table shows the changes in provision for product warranty during the six months ended June 30, 2024 and 2023 (in thousands):

	Six Months Ended June 30,	
	2024	2023
Balance at beginning of period	$ 3,633	$ 538
Additions during the period	5,728	—
Utilization during the period	(632)	(213)
Change in estimates	551	—
Balance at end of period	$ 9,280	$ 325

Note 10 – Redeemable Convertible Preferred Stock

The Company had the following shares of redeemable convertible preferred stock, $0.00001 par value per share, authorized, issued, and outstanding as of June 30, 2024 and December 31, 2023 (in thousands, except for share amounts) other than Series F-1 redeemable convertible preferred stock, which was authorized in May 2024:

	Shares Authorized	Shares Issued and Outstanding	Liquidation Preference	Net Carrying Value
Series A redeemable convertible preferred stock	31,731,394	31,731,394	$ 26,972	$ 26,924
Series B redeemable convertible preferred stock	9,076,079	9,076,079	25,000	24,955
Series C redeemable convertible preferred stock	7,264,680	7,264,680	65,000	64,952
Series D redeemable convertible preferred stock	4,943,849	4,943,849	79,822	79,735
Series E redeemable convertible preferred stock	14,916,649	14,848,436	272,096	272,023
Series F redeemable convertible preferred stock	10,812,837	9,168,419	254,376	254,191
Series F-1 redeemable convertible preferred stock	27,285,129	—	—	—

In May 2024, the Company entered into a Series F-1 redeemable convertible preferred stock purchase agreement (the "Series F-1 Purchase Agreement") with various investors to issue up to 27,285,129 shares of the Company's Series F-1 redeemable convertible preferred stock. Pursuant to the terms of the Series F-1 Purchase Agreement, G42 agreed to purchase approximately 22.9 million shares of the Company's Series F-1 redeemable convertible preferred stock at $14.66 per share, for anticipated gross proceeds of $335 million (the "G42 Primary Purchase"). The closing of the G42 Primary Purchase is subject to regulatory approval, as well as the satisfaction of customary closing conditions. Pursuant to the Series F-1 Purchase Agreement, if G42, or certain third parties at the direction of G42, purchase more than $500.0 million in one purchase order, and less than $5.0 billion in the aggregate, of high-performance computing clusters (the "G42 Option Threshold"), the Company will grant G42 the option to purchase additional shares of Series F-1 redeemable convertible preferred stock (or, if such option is granted or exercised following the completion of the Company's initial public offering, shares of the Company's common stock), subject to the terms thereof (the "G42 Option"). The maximum number of shares that may be purchased pursuant to the G42 Option will be the quotient of (i) the total aggregate purchase price for the G42 Option, which will equal 10% of the value of the relevant purchaser order(s), divided by (ii) (A) if the G42 Option is granted and exercised prior to the completion of the Company's initial public offering, a price per share that is 17.5% below the price per share of the Company's then most recent arms-length sale of the Company's redeemable convertible preferred stock (excluding the Company's Series F-1 redeemable convertible preferred stock), or (B) if the G42 Option is granted or exercised following the completion of the Company's initial public offering, a price per share that is 17.5% below the average closing price per share of the Company's common stock over the 30-day period prior to the G42 Option Threshold being met. The G42 Option expires on December 31, 2025. G42's ability to purchase shares in connection with the G42 Option is subject to regulatory approval. Additionally, an existing

investor agreed to purchase approximately 3.1 million shares of the Company's Series F-1 redeemable convertible preferred stock at a price of $14.66 per share, for anticipated gross proceeds of $45 million.

The commitments made by these investors to purchase shares of the Company's Series F-1 redeemable convertible preferred stock at a future date for a fixed price of $14.66 per share represent a forward contract between the Company and the counterparties. The forward contracts are classified as a liability and remeasured to fair value at each reporting date, with changes in fair value recorded to other (expense) income, net. The forward contract was considered to be a Level 3 liability in the fair value hierarchy due to certain unobservable inputs. The primary input in the valuation of the forward liability is the fair value of the Company's Series F-1 redeemable convertible preferred stock which was determined in accordance with the applicable elements of the American Institute of Certified Public Accountants guide, Valuation of Privately Held Company Equity Securities Issued as Compensation and derived from a hybrid method that considered both an option pricing model ("OPM") and the probability weighted expected return method ("PWERM") to allocate the value among the various classes of securities to arrive at the fair value of Series F-1 redeemable convertible preferred stock. The OPM is based on the Black-Scholes-Merton option pricing model, which allows for the identification for a range of possible future outcomes, each with an associated probability. The OPM is appropriate to use when the range of possible future outcomes is difficult to predict and thus creates highly speculative forecasts. PWERM involves a forward-looking analysis of the possible future outcomes of the enterprise including an initial public offering as well as non-initial public offering market-based outcomes. As of June 30, 2024, the fair value of the Series F-1 redeemable convertible preferred stock was $15.83 per share.

The following table provides a reconciliation of the beginning and ending balances for forward contract liability measured at fair value using significant unobservable inputs (in thousands):

Balance as of January 1, 2024	$ —
Fair value at inception of contract	—
Change in fair value	30,327
Balance as of June 30, 2024	$ 30,327

For the six months ended June 30, 2024, the change in fair value related to forward contract liability was recognized in other (expense) income, net.

Note 11 – Common Stock

As of June 30, 2024 and December 31, 2023, respectively, the Company was authorized to issue 203,087,000 shares and 168,000,000 shares of common stock, $0.00001 par value per share. As of June 30, 2024 and December 31, 2023, respectively, the Company had 51,177,237 and 45,361,795 shares of common stock issued and outstanding, of which 746,473 and 95,905 shares of common stock were subject to repurchase as of such date for early exercised stock options. As of June 30, 2024 and December 31, 2023, the Company had 300,138 shares of common stock held as treasury shares, which may be used for issuance under the Equity Incentive Plan. All shares that were issued upon early exercise of stock options are considered legally issued and outstanding. However, for accounting purposes, only shares that are fully vested or are not subject to repurchase are considered issued and outstanding.

Below is a reconciliation of shares issued and outstanding:

	June 30, 2024	Dec 31, 2023
Total shares of common stock legally issued and outstanding (including shares issued upon early exercise of stock options)	51,177,237	45,361,795
Less: Shares subject to repurchase for early exercised stock options	(746,473)	(95,905)
Total shares issued and outstanding not subject to repurchase	50,430,764	45,265,890

Warrants

In 2020, the Company entered into an equity arrangement with one of its customers whereby the Company issued a warrant that is exercisable for up to 68,213 shares of its Series E redeemable convertible preferred stock. The warrant is classified as a liability and remeasured to fair value and falls under Level 3 of the fair value hierarchy. As of June 30, 2024 and December 31, 2023, the warrant was valued at $1.1 million. The Company provided services and issued the warrant to the customer, and the customer paid the consideration to the Company for the provision of services. The warrant has a contractual term of seven years and an exercise price of $0.00001 per share. The customer is able to either exercise the warrants at the exercise price or convert a portion of the warrants into a number of shares of Series E redeemable convertible preferred stock adjusted to equal the fair market value, less the exercise price.

The fair value of warrants is determined using a Black-Scholes option-pricing model as of the grant date. The amount representing the fair value of the equity provided to the customer from the warrant is recognized as adjustments of revenue in the consolidated statements of operations and comprehensive loss over the term of such commercial agreement or based on the achievement of certain performance targets in accordance with ASC 505-50.

As of June 30, 2024, fair value of the warrant accrued was determined using the following assumptions:

	June 30, 2024
Remaining contractual life (years)	3.10
Expected volatility (%)	58.90
Expected risk-free interest rate (%)	4.52
Dividend yield (%)	—

The following table provides a reconciliation of the beginning and ending balances for the Level 3 warrant liability measured at fair value using significant unobservable inputs (in thousands):

	Warrant Liability
Balance as of January 1, 2024	$ 1,113
Change in fair value	15
Balance as of June 30, 2024	$ 1,128
Balance as of January 1, 2023	$ 1,141
Change in fair value	(221)
Balance as of June 30, 2023	$ 920

For the six months ended June 30, 2024 and 2023, the change in fair value related to the warrant was recognized in other (expense) income, net.

Note 12 – Stock-Based Compensation

Stock Options

Total stock-based compensation expense for the six months ended June 30, 2024 and 2023 was as follows (in thousands):

	Six Months Ended	
	June 30, 2024	June 30, 2023
Cost of sales	420	51
Research and development	$ 23,905	$ 7,367
Sales and marketing	3,195	1,075
General and administrative	4,809	767
Total stock-based compensation expense	$ 32,329	$ 9,260

Approximately $18.5 million and $0.9 million of the compensation expense recognized for the six months ended June 30, 2024 and 2023, respectively, was attributed to sales of shares of common stock by certain current and former employees of the Company to existing economic interest holders in the Company, through secondary market transactions, where the excess price paid above fair value for the shares was recorded as stock-based compensation expense.

The following table summarizes the Company's stock option activity and related information:

	Number of Shares	Weighted Average Exercise Price	Aggregate Intrinsic Value (in thousands)	Weighted Average Remaining Life
Outstanding, as of January 1, 2024	33,705,603	$ 4.02	$ 59,924	7.24
Granted	9,229,093	$ 5.98		
Exercised during period	(5,821,067)	$ 3.14		
Forfeited	(421,189)	$ 5.58		
Expired	(8,192)	$ 7.38		
Outstanding and Exercisable, as of June 30, 2024	36,684,248	$ 4.64	$ 252,112	7.64

The total intrinsic value for stock options exercised during the six months ended June 30, 2024 and 2023 was $34.6 million and $3.0 million, respectively. The weighted-average grant date fair value of options granted was $4.92 per share for the six months ended June 30, 2024. As of June 30, 2024, the total remaining unrecognized compensation expense related to non-vested stock options was $68.6 million, which will be amortized over the weighted-average period of 2.74 years.

RSUs

The following table summarizes RSU activity and related information:

	Number of Shares	Weighted Average Grant Date Fair Value
Non-Vested, as of January 1, 2024	1,516,408	$ 5.36
Granted	57,500	$ 11.11
Vested	—	$ —
Forfeited	—	$ —
Non-Vested, as of June 30, 2024	1,573,908	$ 5.57

As of June 30, 2024, the total remaining unrecognized compensation expense related to non-vested RSUs was $8.8 million. This unrecognized compensation expense will be recognized when the liquidity-based vesting condition becomes probable for certain RSUs that have a performance-based vesting condition, and the service-based vesting condition will be satisfied over the weighted-average period of 1.72 years.

Note 13 – Income Taxes

The Company's quarterly tax provision and estimate of its annual effective tax rate is subject to variation due to several factors, including variability in pre-tax income (or loss), the mix of jurisdictions to which such income (or loss) relates, changes in how the Company does business, and tax law developments. The Company's estimated effective tax rate for the year differs from the U.S. statutory rate of 21% primarily as a result of not benefiting U.S. losses as those losses are not more likely than not to be realized, as well as its foreign operations, which are subject to tax rates that differ from those in the United States.

The Company recorded an income tax expense of $319 thousand and $72 thousand for the six months ended June 30, 2024 and 2023, respectively.

Note 14 – Leases

The Company's lease obligations consist of operating leases for data centers and offices. The extension periods have not been included in the determination of the right-of-use assets or the lease liability for operating leases as the Company did not consider it reasonably certain that it would exercise these options. The Company has elected not to recognize right-of-use assets and operating lease liabilities that arise from short-term (12 months or less) leases for any class of underlying assets. The Company has elected not to separate lease and non-lease components for any class of underlying asset.

In June 2024, the Company entered into an agreement to modify the lease for its headquarters located in Sunnyvale, California, to extend the term of the existing lease from December 1, 2024 to November 30, 2027. The lease is an operating lease, and the Company expects to pay total rent of approximately $5.5 million for the extended term of the lease. The agreement also includes variable monthly charges for building operating costs.

In February 2024, the Company entered into a 55-month lease agreement for office space in Toronto, Canada. The lease commenced April 8, 2024, terminates March 16, 2029. The lease is an operating lease, and the Company expects to pay a total rent of $1.2 million for the term of the lease. The agreement also includes variable monthly charges for building operating costs.

In November 2023, the Company entered into a 41-month lease agreement with the owner and landlord of a data center in Stockton, California. The lease commenced January 4, 2024, terminates on May 31, 2027, and is an operating lease. Monthly recurring charges for rent and power are $0.6 million per month from June 2024 through May 2026, increasing to $0.7 million per month through May 2027. The agreement also includes variable monthly

charges for metered power usage. Monthly recurring charges for rent and power shall be abated during the first five months of the term of the lease. In August 2024, the Company added additional capacity to this existing lease which is expected to commence from September 2024 for a period of 39 months. The Company will pay additional monthly rent of $0.5 million during the term of the lease.

As of June 30, 2024, future minimum lease payments of the Company's operating lease liabilities were due as follows (in thousands):

	June 30, 2024
Year ending December 31,	**Operating Leases**
Remainder of 2024	$ 5,121
2025	10,485
2026	10,743
2027	5,914
2028	267
Thereafter	34
Total future lease payments	$ 32,564
Less: Imputed interest	(4,591)
Present value of operating lease liabilities	$ 27,973

As of June 30, 2024 and 2023, the remaining weighted-average lease term was 3.10 years and 2.01 years, respectively, and weighted-average discount rate used to determine the operating lease liability was 10.3% and 7.0%, respectively. During the six months ended June 30, 2024, and 2023, the Company incurred total operating lease expenses of $3.6 million and $0.4 million, respectively. During the six months ended June 30, 2024 and 2023, the Company incurred variable lease costs of $0.3 million and $0.3 million, respectively. During the six months ended June 30, 2024 and 2023, the Company's costs related to short-term lease arrangements for real estate were $1.2 million and $1.1 million, respectively.

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

	Six Months Ended	
	June 30, 2024	**June 30, 2023**
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating leases	$ 792	$ 400
Right-of-use assets obtained in exchange for lease obligations:		
Operating leases	$ 27,176	$ —

Note 15 – Commitments and Contingencies

The Company has entered into certain contracts to receive consulting and other services that represent unconditional purchase obligations to purchase goods or services that are enforceable and legally binding. Purchase commitments exclude agreements that are cancellable without penalty and unconditional purchase commitments with a remaining term of one year or less. As of June 30, 2024, future payments related to non-cancelable commitments under these contracts are due as follows: $5.9 million (2024), $11.0 million (2025), and $2.7 million (2026).

In the ordinary course of business, the Company may be subject from time to time to various proceedings, lawsuits, disputes, or claims. Although the Company cannot predict with assurance the outcome of any litigation, it does not believe there are currently any such actions that, if resolved unfavorable, would have a material impact on the Company's financial condition, results of operations, or cash flows.

Note 16 – Subsequent Events

The Company has evaluated all transactions through August 29, 2024, the date these condensed consolidated financial statements were available to be issued, and has determined that there are no other events, other than the following, that would require disclosure in or adjustment to these financial statements.

Series F-1 Financing

In July 2024, the Company amended its certificate of incorporation to increase the number of authorized shares of its Series F-1 redeemable convertible preferred stock to 28,649,385 shares. In July and August 2024, the Company sold an aggregate of 2,728,512 shares of its Series F-1 redeemable convertible preferred stock at a purchase price of $14.66 per share, for an aggregate purchase price of $40.0 million.

Customer Deposits

In July 2024, the Company received a purchase order from G42 for the sale of $178.7 million of its high-performance computing systems, including installation and support services. Additionally, the Company entered into a new agreement, and modified an existing agreement, pursuant to which it agreed to provide operation and management services for certain high-performance computing systems purchased by G42. The fees to be paid by G42 under these agreements will be deducted from the initial $300 million prepayment received as part of the G42 April 2024 Agreement, and the $178.7 million fee for a July 2024 purchase order from G42 fulfills a portion of the prepayment and purchase order commitments under the G42 May 2024 Agreement.

Shares

Cerebras Systems Inc.

Common Stock



Citigroup **Barclays**

UBS Investment Bank **Wells Fargo Securities**

Mizuho **TD Cowen**

Needham & Company **Craig-Hallum** **Wedbush Securities** **Rosenblatt** **Academy Securities**

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

The following table sets forth the costs and expenses, other than underwriting discounts and commissions, payable by the registrant in connection with the sale of the common stock being registered. All amounts are estimates except for the Securities and Exchange Commission (the "SEC") registration fee, the Financial Industry Regulatory Authority ("FINRA") filing fee and the listing fee.

	Amount to Be Paid
SEC registration fee	$ *
FINRA filing fee	*
listing fee	*
Transfer agent's fees and expenses	*
Printing and engraving expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Blue Sky fees and expenses	*
Miscellaneous expenses	*
Total	$ *

* To be completed by amendment.

Item 14. Indemnification of Directors and Officers

Section 145 of the Delaware General Corporation Law provides that a corporation may indemnify directors and officers as well as other employees and individuals against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such person in connection with any threatened, pending, or completed actions, suits, or proceedings in which such person is made a party by reason of such person being or having been a director, officer, employee, or agent to the registrant. The Delaware General Corporation Law provides that Section 145 is not exclusive of other rights to which those seeking indemnification may be entitled under any bylaw, agreement, vote of stockholders or disinterested directors or otherwise. Article 9 of the registrant's amended and restated certificate of incorporation, to be in effect immediately prior to the completion of this offering, provides for indemnification by the registrant of its directors, officers and employees to the fullest extent permitted by the Delaware General Corporation Law. The registrant has entered or will enter into indemnification agreements with each of its current directors, executive officers, and certain other officers to provide these directors and officers additional contractual assurances regarding the scope of the indemnification set forth in the registrant's amended and restated certificate of incorporation and amended and restated bylaws, each to be in effect immediately prior to the completion of this offering, and to provide additional procedural protections. There is no pending litigation or proceeding involving a director or executive officer of the registrant for which indemnification is sought.

Section 102(b)(7) of the Delaware General Corporation Law permits a corporation to provide in its certificate of incorporation that a director or officer 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 or officer, except for liability (i) for any breach of the director's or officer's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) for unlawful payments of dividends or unlawful stock repurchases, redemptions or other distributions, or (iv) for any transaction from which the director or officer derived an improper personal benefit. The registrant's amended and restated

certificate of incorporation, to be in effect immediately prior to the completion of this offering, provides for such limitation of liability.

The registrant maintains standard policies of insurance under which coverage is provided (a) to its directors and officers against loss rising from claims made by reason of breach of duty or other wrongful act and (b) to the registrant with respect to payments that may be made by the registrant to such officers and directors pursuant to the above indemnification provision or otherwise as a matter of law.

The proposed form of underwriting agreement to be filed as Exhibit 1.1 to this registration statement provides for indemnification of directors and officers of the registrant by the underwriters against certain liabilities.

Item 15. Recent Sales of Unregistered Securities

Since January 1, 2021, the registrant made sales of the following unregistered securities:

Option and Common Stock Issuances

Since January 1, 2021, the registrant granted to its employees, consultants, and other service providers options to purchase an aggregate of shares of its common stock under its 2016 Equity Incentive Plan (as amended, the "2016 Plan"), at exercise prices ranging from $ to $ per share.

Since January 1, 2021, the registrant issued and sold to its employees, consultants, and other service providers an aggregate of shares of its common stock upon the exercise of stock options under its 2016 Plan, at exercise prices ranging from $ to $ per share, for a weighted-average exercise price of $.

Since January 1, 2021, the registrant granted to its employees, consultants, and other service providers restricted stock units covering an aggregate of shares of its common stock under its 2016 Plan.

In August 2022, the registrant sold an aggregate of 599,880 shares of its common stock to an accredited investor at a purchase price of $16.7525 per share, for an aggregate purchase price of $10.0 million.

Redeemable Convertible Preferred Stock Issuances

Between October and December 2021, the registrant sold an aggregate of 9,168,419 shares of its Series F redeemable convertible preferred stock to eight accredited investors at a purchase price of $27.7448 per share, for an aggregate purchase price of $254.4 million.

In July and August 2024, the registrant sold an aggregate of 2,728,512 shares of its Series F-1 redeemable convertible preferred stock to five accredited investors at a purchase price of $14.66 per share, for an aggregate purchase price of $40.0 million.

The registrant believes these offers, sales, and issuances were exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder, or Rule 701 promulgated under the Securities Act as transactions by an issuer not involving a public offering or pursuant to 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 upon the stock certificates issued in these transactions. All recipients had adequate access, through their relationships with the registrant, to information about the registrant.

Item 16. Exhibits and Financial Statement Schedules

See the Exhibit Index attached to this registration statement, which Exhibit Index is incorporated herein by reference.

Schedules not listed above 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

(a) Insofar as indemnification for liabilities arising under the Securities Act 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 SEC 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 hereunder, 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 of 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.

(b) The undersigned registrant 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 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	Exhibit Description
1.1*	Form of Underwriting Agreement
3.1	Amended and Restated Certificate of Incorporation, as amended, as currently in effect
3.2*	Form of Amended and Restated Certificate of Incorporation, to be in effect immediately prior to the completion of this offering
3.3	Bylaws, as currently in effect
3.4*	Form of Amended and Restated Bylaws, to be in effect immediately prior to the completion of this offering
4.1*	Reference is made to Exhibits 3.1 through 3.4
4.2*	Form of Common Stock Certificate
4.3	Amended and Restated Investors' Rights Agreement, dated as of June 25, 2024, by and among the Registrant and the investors listed therein
5.1*	Opinion of Latham & Watkins LLP
10.1	Standard Industrial/Commercial Single-Tenant Lease, dated as of January 27, 2022, by and between the Registrant and Xinbei Tech, Inc.
10.2	First Amendment to Standard Industrial/Commercial Single-Tenant Lease, dated as of June 2, 2023, by and between the Registrant and Xinbei Tech, Inc.
10.3	Second Amendment to Standard Industrial/Commercial Single-Tenant Lease, dated as of June 4, 2024, by and between the Registrant and Xinbei Tech, Inc.
10.4*#	2016 Equity Incentive Plan, as amended, and forms of agreements thereunder
10.5*#	2024 Incentive Award Plan, and forms of agreements thereunder
10.6*#	Employee Stock Purchase Plan
10.7*#	Non-Employee Director Compensation Program
10.8*#	Form of Indemnification Agreement between the Registrant and each of its Directors and Executive Officers
10.9#	Offer Letter, dated as of April 20, 2018, by and between the Registrant and Dhiraj Mallick
10.10#	Offer Letter, dated as of December 6, 2019, by and between the Registrant and Anthony Maslowski
10.11#	Separation and Release Agreement, dated as of February 15, 2024, by and between the Registrant and Anthony Maslowski
10.12(a)†+	Framework Agreement for the Supply of Goods, dated as of September 13, 2023, by and between the Registrant and G42 Holding US LLC
10.12(b)†+	Purchase Order # 2023-0001, dated as of September 13, 2023, by and between the Registrant and G42 Holding US LLC
10.12(c)†+	Purchase Order # 2023-0002, dated as of October 7, 2023, by and between the Registrant and G42 Holding US LLC
10.12(d)†+	Amendment and Restatement Agreement relating to Purchase Order # 2023-0004, dated as of January 24, 2024, by and between the Registrant and G42 Holding US LLC
10.12(e)†+	Purchase Order # 2024-0003, dated as of July 10, 2024, by and between the Registrant and G42 Holding US LLC
10.13†+	Master Services Agreement, dated as of September 13, 2023, by and between the Registrant and G42 Holding US LLC
10.14†	Letter of Award in Respect of HPC Infrastructure PO, dated as of April 24, 2024, by and between the Registrant and G42 Holding US LLC
10.15†+	Series F-1 Preferred Stock Purchase Agreement, dated as of May 30, 2024, by and between the Registrant and the investors listed therein, as amended
10.16†+	Letter Agreement, dated as of May 30, 2024, by and between the Registrant, Expansion Project Technologies Holding 8 SPV Ltd., and MOZN Holding RSC Ltd.
21.1*	List of subsidiaries
23.1*	Consent of BDO USA, P.C., independent registered public accounting firm

Exhibit Number	Exhibit Description
23.2*	Consent of Latham & Watkins LLP (included in Exhibit 5.1)
24.1*	Power of Attorney (reference is made to the signature page to the Registration Statement)
107.1*	Filing Fee Table

_____

* To be filed by amendment.

\# Indicates management contract or compensatory plan.

† Portions of this exhibit (indicated by asterisks) have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K because they are both not material and are the type that the Registrant treats as private or confidential.

\+ Portions of this exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K. The Registrant undertakes to furnish a copy of all omitted schedules and exhibits to the SEC upon its request.

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 Sunnyvale, State of California, on the day of , 2024.

CEREBRAS SYSTEMS INC.

By: _____
Name:
Title:

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Andrew D. Feldman, Robert Komin, and Shirley X. Li, and each of them, 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, to sign any and 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 each said attorney-in-fact and agents full power and authority to do and perform each and every act in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or either of them or their or 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
Andrew D. Feldman	Chief Executive Officer, President, and Director (Principal Executive Officer)	, 2024
Robert Komin	Chief Financial Officer (Principal Financial Officer)	, 2024
Terumi Katano	Chief Accounting Officer (Principal Accounting Officer)	, 2024
Paul Auvil	Director	, 2024
Glenda Dorchak	Director	, 2024
Brad Gerstner	Director	, 2024
Lior Susan	Director	, 2024
Steve Vassallo	Director	, 2024
Eric Vishria	Director	, 2024

CERTIFICATE OF AMENDMENT
OF
AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
CEREBRAS SYSTEMS INC.

Cerebras Systems Inc., a Delaware corporation (the **"*Corporation*"**), does hereby certify that the following amendment to the Corporation's Amended and Restated Certificate of incorporation filed with the Secretary of State of the State of Delaware on June 6, 2024 (the **"*Restated Certificate of Incorporation*"**), has been duly adopted in accordance with the provisions of Section 242 of the Delaware General Corporation Law, with the approval of such amendment by the Corporation's stockholders having been given by written consent without a meeting in accordance with Sections 228(d) and 242 of the Delaware General Corporation Law:

1. Article IV. The first paragraph of Article IV of the Restated Certificate of Incorporation, relating to the authorized share capital of the Corporation, is amended to read in its entirety as follows:

"The total number of shares of all classes of stock which the Corporation shall have authority to issue is (a) 204,519,000 shares of Common Stock, $0.00001 par value per share (**"*Common Stock*"**), and (b) 105,750,455 shares of Preferred Stock, $0.00001 par value per share (**"*Preferred Stock*"**). As of the effective date of this Amended and Restated Certificate of Incorporation (this **"*Restated Certificate*"**), 31,731,394 shares of the authorized Preferred Stock of the Corporation are hereby designated **"*Series A Preferred Stock*"**, 9,076,079 shares of the authorized Preferred Stock of the Corporation are hereby designated **"*Series B Preferred Stock*"**, 7,264,680 shares of the authorized Preferred Stock of the Corporation are hereby designated **"*Series C Preferred Stock*"**, 4,943,849 shares of the authorized Preferred Stock of the Corporation are hereby designated **"*Series D Preferred Stock*"**, 14,916,649 shares of the authorized Preferred Stock of the Corporation are hereby designated **"*Series E Preferred Stock*"**, 9,168,419 shares of the authorized Preferred Stock of the Corporation are hereby designated **"*Series F Preferred Stock*"** and 28,649,385 shares of the authorized Preferred Stock of the Corporation are hereby designated **"*Series F-1 Preferred Stock*"**."

IN WITNESS WHEREOF, said corporation has caused this Certificate of Amendment to be signed by its duly authorized officer and the foregoing facts stated herein are true and correct.

Dated: July 2, 2024

CEREBRAS SYSTEMS INC.

By: /s/ AndrewFeldman
AndrewFeldman
Chief Executive Officer

CEREBRAS SYSTEMS INC.

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

(Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware)

Cerebras Systems Inc., a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "***General Corporation Law***"), does hereby certify as follows:

1. The name of this corporation is Cerebras Systems Inc. This corporation was originally incorporated pursuant to the General Corporation Law on April 6, 2016 under the name Cerebras Systems Inc.

2. The Board of Directors of this corporation duly adopted resolutions proposing to amend and restate the Certificate of Incorporation of this corporation, declaring said amendment and restatement to be advisable and in the best interests of this corporation and its stockholders, and authorizing the appropriate officers of this corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows.

> RESOLVED, that the Restated Certificate of Incorporation of this corporation be amended and restated in its entirety to read as set forth on Exhibit A attached hereto and incorporated herein by this reference.

Exhibit A referred to in the resolution above is attached hereto as Exhibit A and is hereby incorporated herein by this reference.

3. This Amended and Restated Certificate of Incorporation was approved by the holders of the requisite number of shares of this corporation in accordance with Section 228 of the General Corporation Law.

4. This Amended and Restated Certificate of Incorporation, which restates and integrates and further amends the provisions of this corporation's Certificate of Incorporation, has been duly adopted in accordance with Sections 242 and 245 of the General Corporation Law.

IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of this corporation on this 6th day of June, 2024.

By: /s/ AndrewFeldman
AndrewFeldman
Chief Executive Officer

Exhibit A

CEREBRAS SYSTEMS INC.

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

ARTICLE I: NAME.

The name of this corporation is Cerebras Systems Inc. (the "***Corporation***").

ARTICLE II: REGISTERED OFFICE.

The address of the registered office of the Corporation in the State of Delaware is 3500 South Dupont Highway, City of Dover, County of Kent, Delaware 19901. The name of its registered agent at such address is Incorporating Services, Ltd.

ARTICLE III: PURPOSE.

The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law.

ARTICLE IV: AUTHORIZED SHARES.

The total number of shares of all classes of stock which the Corporation shall have authority to issue is (a) 203,087,000 shares of Common Stock, $0.00001 par value per share ("***Common Stock***"), and (b) 104,386,199 shares of Preferred Stock, $0.00001 par value per share ("***Preferred Stock***"). As of the effective date of this Amended and Restated Certificate of Incorporation (this "***Restated Certificate***"), 31,731,394 shares of the authorized Preferred Stock of the Corporation are hereby designated "***Series A Preferred Stock***", 9,076,079 shares of the authorized Preferred Stock of the Corporation are hereby designated "***Series B Preferred Stock***", 7,264,680 shares of the authorized Preferred Stock of the Corporation are hereby designated "***Series C Preferred Stock***", 4,943,849 shares of the authorized Preferred Stock of the Corporation are hereby designated "***Series D Preferred Stock***", 14,916,649 shares of the authorized Preferred Stock of the Corporation are hereby designated "***Series E Preferred Stock***", 9,168,419 shares of the authorized Preferred Stock of the Corporation are hereby designated "***Series F Preferred Stock***" and 27,285,129 shares of the authorized Preferred Stock of the Corporation are hereby designated "***Series F-1 Preferred Stock***".

The following is a statement of the designations and the rights, powers and preferences, and the qualifications, limitations or restrictions thereof, in respect of each class of capital stock of the Corporation.

A. COMMON STOCK

1. General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and preferences of the holders of the Preferred Stock set forth herein.

2. Voting. The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings). Unless required by law, there shall be no cumulative voting. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by (in addition to any vote of the holders of one or more series of Preferred Stock that may be required by the terms of this Restated Certificate) the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law and without a separate class vote of the holders of the Common Stock.

B. PREFERRED STOCK

The following rights, powers and preferences, and restrictions, qualifications and limitations, shall apply to the Preferred Stock. Unless otherwise indicated, references to "Sections" in this Part B of this Article IV refer to sections of this Part B.

1. Dividends.

1.1. Non-Cumulative Preferred Stock Dividend Preference. The Corporation shall not pay or set aside any dividends on shares of any other class or series of capital stock of the Corporation (other than dividends on shares of Common Stock payable in shares of Common Stock) in any calendar year unless (in addition to the obtaining of any consents required elsewhere in this Restated Certificate) the holders of the Preferred Stock then outstanding shall first receive, or simultaneously receive, out of funds legally available therefor, a dividend on each outstanding share of Preferred Stock in an amount equal to 8% of the Original Issue Price (as defined below) per share of such Preferred Stock. The foregoing dividends shall not be cumulative and shall be paid when, as and if declared by the Board of Directors of the Corporation (the "***Board***"). The "***Original Issue Price***" shall mean (i) in the case of the Series A Preferred Stock, $0.85 per share, subject to appropriate adjustment in the event of any stock splits and combinations of shares and for dividends paid on the Series A Preferred Stock in shares of such stock, (ii) in the case of the Series B Preferred Stock, $2.754493 per share, subject to appropriate adjustment in the event of any stock splits and combinations of shares and for dividends paid on the Series B Preferred Stock in shares of such stock, (iii) in the case of the Series C Preferred Stock, $8.9474 per share, subject to appropriate adjustment in the event of any stock splits and combinations of shares and for dividends paid on the Series C Preferred Stock in shares of such stock, (iv) in the case of the Series D Preferred Stock, $16.1458 per share, subject to appropriate adjustment in the event of any stock splits and combinations of shares and for dividends paid on the Series D Preferred Stock in shares of such stock, (v) in the case of the Series E Preferred Stock, $18.3249 per share, subject to appropriate adjustment in the event of

any stock splits and combinations of shares and for dividends paid on the Series E Preferred Stock in shares of such stock, (vi) in the case of the Series F Preferred Stock, $27.7448 per share, subject to appropriate adjustment in the event of any stock splits and combinations of shares and for dividends paid on the Series F Preferred Stock in shares of such stock, and (vii) in the case of the Series F-1 Preferred Stock, $14.66 per share, subject to appropriate adjustment in the event of any stock splits and combinations of shares and for dividends paid on the Series F-1 Preferred Stock in shares of such stock.

1.2. Participation. If, after dividends in the full preferential amount specified in Section 1.1 for the Preferred Stock have been paid or set apart for payment in any calendar year of the Corporation, the Board shall declare additional dividends out of funds legally available therefor in that calendar year, then such additional dividends shall be declared pro rata on the Common Stock and the Preferred Stock on a pari passu basis according to the number of shares of Common Stock held by such holders. For this purpose each holder of shares of Preferred Stock is to be treated as holding the greatest whole number of shares of Common Stock then issuable upon conversion of all shares of Preferred Stock held by such holder pursuant to Sections 4 and 5.

1.3. Non-Cash Dividends. Whenever a dividend provided for in this Section 1 shall be payable in property other than cash, the value of such dividend shall be deemed to be the fair market value of such property as determined in good faith by the Board, including at least one of the Preferred Directors.

2. Liquidation, Dissolution or Winding Up; Certain Mergers, Consolidations and Asset Sales.

2.1. Payments to Holders of Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation or any Deemed Liquidation Event (as defined below), before any payment shall be made to the holders of Common Stock by reason of their ownership thereof, the holders of shares of each series of Preferred Stock then outstanding shall be entitled to be paid out of the funds and assets available for distribution to its stockholders, an amount per share (the "***Preferred Liquidation Amount***") equal to the greater of (a) the Original Issue Price for such series of Preferred Stock, plus any dividends declared but unpaid thereon, or (b) such amount per share as would have been payable had all shares of such series of Preferred Stock been converted into Common Stock pursuant to Sections 4 and 5 immediately prior to such liquidation, dissolution, winding up or Deemed Liquidation Event. If upon any such liquidation, dissolution, winding up or Deemed Liquidation Event of the Corporation, the funds and assets available for distribution to the stockholders of the Corporation shall be insufficient to pay the holders of shares of Preferred Stock the full amounts to which they are entitled under this Section 2.1, the holders of shares of Preferred Stock shall share, pari passu and ratably, in any distribution of the funds and assets available for distribution in proportion to the respective amounts that would otherwise be payable in respect of the shares of Preferred Stock held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

2.2. Payments to Holders of Common Stock. In the event of any voluntary or involuntary liquidation, dissolution, winding up or Deemed Liquidation Event of the Corporation, after the payment of all preferential amounts required to be paid to the holders of shares of Preferred Stock as provided in Section 2.1, the remaining funds and assets available for distribution to the stockholders of the Corporation shall be distributed among the holders of shares of Common Stock, pro rata based on the number of shares of Common Stock held by each such holder.

2.3. Deemed Liquidation Events.

2.3.1. Definition. Each of the following events shall be considered a "***Deemed Liquidation Event***" unless the holders of (i) at least 65% of the outstanding shares of the Series A Preferred Stock (voting together as a single series on an as-converted basis), (ii) at least a majority of the outstanding shares of the Series B Preferred Stock (voting together as a single series on an as-converted basis), (iii) at least a majority of the outstanding shares of the Series C Preferred Stock (voting together as a single series on an as-converted basis), (iv) at least a majority of the outstanding shares of the Series D Preferred Stock (voting together as a single series on an as-converted basis), (v) at least 75% of the outstanding shares of the Series E Preferred Stock (voting together as a single series on an as-converted basis), and (vi) at least a majority of the outstanding shares of the Series F Preferred Stock and Series F-1 Preferred Stock (voting together as a single series on an as-converted basis) elect otherwise by written notice sent to the Corporation at least five days prior to the effective date of any such event:

(a) a merger or consolidation (each a "***Combination***") in which (i) the Corporation is a constituent party or (ii) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such Combination, except any such Combination involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such Combination continue to represent, or are converted into or exchanged for equity securities that represent, immediately following such Combination, a majority, by voting power, of the equity securities of (1) the surviving or resulting party or (2) if the surviving or resulting party is a wholly owned subsidiary of another party immediately following such Combination, the parent of such surviving or resulting party; *provided* that, for the purpose of this Section 2.3.1, all shares of Common Stock issuable upon exercise of Options (as defined in Section 5.1 below) outstanding immediately prior to such Combination or upon conversion of Convertible Securities (as defined in Section 5.1 below) outstanding immediately prior to such Combination shall be deemed to be outstanding immediately prior to such Combination and, if applicable, deemed to be converted or exchanged in such Combination on the same terms as the actual outstanding shares of Common Stock are converted or exchanged; or

(b) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary or subsidiaries of the Corporation, of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, (or, if substantially all of the assets

of the Corporation and its subsidiaries taken as a whole are held by one or more subsidiaries, the sale or disposition (whether by consolidation, merger, conversion or otherwise) of such subsidiaries of the Corporation), except where such sale, lease, transfer, exclusive license or other disposition is made to the Corporation or one or more wholly owned subsidiaries of the Corporation (an "***Asset Disposition***").

2.3.2. Effecting a Deemed Liquidation Event.

(a) The Corporation shall not have the power to effect a Deemed Liquidation Event referred to in Subsection 2.3.1(a) unless the agreement or plan of merger or consolidation for such transaction provides that the consideration payable to the stockholders of the Corporation shall be allocated among the holders of capital stock of the Corporation in accordance with Sections 2.1 and 2.2.

(b) In the event of a Deemed Liquidation Event referred to in Section 2.3.1(a)(ii) or 2.3.1(b), if the Corporation does not effect a dissolution of the Corporation under the General Corporation Law within ninety (90) days after such Deemed Liquidation Event, then (i) the Corporation shall send a written notice to each holder of Preferred Stock no later than the ninetieth (90th) day after the Deemed Liquidation Event advising such holders of their right (and the requirements to be met to secure such right) pursuant to the terms of the following clause; (ii) to require the redemption of such shares of Preferred Stock, and (iii) if the holders of at least a 65% of the then outstanding shares of Preferred Stock so request in a written instrument delivered to the Corporation not later than one hundred twenty (120) days after such Deemed Liquidation Event, the Corporation shall use the consideration received by the Corporation for such Deemed Liquidation Event (net of any retained liabilities associated with the assets sold or technology licensed, as determined in good faith by the Board), together with any other assets of the Corporation available for distribution to its stockholders, all to the extent permitted by Delaware law governing distributions to stockholders (the "***Available Proceeds***"), on the one hundred fiftieth (150th) day after such Deemed Liquidation Event (the "***Liquidation Redemption Date***"), to redeem all outstanding shares of Preferred Stock at a price per share equal to the Preferred Liquidation Amount. Notwithstanding the foregoing, in the event of a redemption pursuant to the preceding sentence, if the Available Proceeds are not sufficient to redeem all outstanding shares of Preferred Stock, the Corporation shall ratably redeem each holder's shares of Preferred Stock to the fullest extent of such Available Proceeds, and shall redeem the remaining shares as soon as it may lawfully do so under Delaware law governing distributions to stockholders. Prior to the distribution or redemption provided for in this Section 2.3.2(b), the Corporation shall not expend or dissipate the consideration received for such Deemed Liquidation Event, except to discharge expenses incurred in connection with such Deemed Liquidation Event.

(c) Written notice of the mandatory redemption described in Section 2.3.2(b) (the "***Liquidation Redemption Notice***") shall be mailed, postage prepaid, to each holder of record of Preferred Stock, at its post office address last shown on the

records of the Corporation, or given by electronic communication in compliance with the provisions of the General Corporation Law, not less than forty (40) days prior to the Liquidation Redemption Date. Each Liquidation Redemption Notice shall state:

(i) the number of shares of Preferred Stock held by the holder that the Corporation shall redeem on the Liquidation Redemption Date specified in the Liquidation Redemption Notice;

(ii) the Liquidation Redemption Date and the portion of the Liquidation Amount payable to such holder, or, if greater, the amount payable on the Preferred Stock pursuant to Sections 2.1 and 2.2; and

(iii) that the holder is to surrender to the Corporation, in the manner and at the place designated, his, her or its certificate or certificates representing the shares of Preferred Stock to be redeemed.

(d) On or before the applicable Liquidation Redemption Date, each holder of shares of Preferred Stock to be redeemed on such Liquidation Redemption Date, unless such holder has exercised his, her or its right to convert such shares as provided in Section 4.1 hereof, shall surrender the certificate or certificates representing such shares (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation, in the manner and at the place designated in the Liquidation Redemption Notice, and thereupon the applicable portion of the Liquidation Amount or, if greater, the applicable portion of the amount payable on the Preferred Stock pursuant to Sections 2.1 and 2.2, for such shares shall be payable to the order of the person whose name appears on such certificate or certificates as the owner thereof, and each surrendered certificate shall be canceled and retired. In the event less than all of the shares of Preferred Stock represented by a certificate are redeemed, a new certificate representing the unredeemed shares of Preferred Stock shall promptly be issued to such holder.

(e) If the Liquidation Redemption Notice shall have been duly given, and if on the Liquidation Redemption Date the aggregate Liquidation Amount payable upon redemption of the shares of Preferred Stock to be redeemed on such Liquidation Redemption Date is paid or tendered for payment or deposited with an independent payment agent so as to be available therefor, then notwithstanding that the certificates evidencing any of the shares of Preferred Stock so called for redemption shall not have been surrendered, dividends with respect to such shares of Preferred Stock shall cease to accrue after such Liquidation Redemption Date and all rights with respect to such shares shall forthwith after the Liquidation Redemption Date terminate, except only the right of the holders to receive their applicable portion of the Liquidation Amount without interest upon surrender of their certificate or certificates therefor.

(f) Any shares of Preferred Stock which are redeemed or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately canceled and shall not be reissued, sold or transferred. The Corporation may not exercise any voting or other rights granted to the holders of Preferred Stock following redemption.

2.3.3. Amount Deemed Paid or Distributed. The funds and assets deemed paid or distributed to the holders of capital stock of the Corporation upon any such Combination or Asset Disposition shall be the cash or the value of the property, rights or securities paid or distributed to such holders by the Corporation or the acquiring person, firm or other entity. If the amount deemed paid or distributed under this Section 2.3.3 is made in property other than in cash, the value of such distribution shall be the fair market value of such property, as determined in good faith by the Board; *provided*, *however*, that the following shall apply. For securities not subject to investment letters or other similar restrictions on free marketability:

(a) if traded on a securities exchange, the value shall be deemed to be the average of the closing prices of the securities on such exchange over the 30-day period ending three days prior to the closing of such transaction;

(b) if actively traded over-the-counter, the value shall be deemed to be the average of the closing bid prices over the 30-day period ending three days prior to the closing of such transaction; or

(c) if there is no active public market, the value shall be the fair market value thereof, as determined in good faith by the Board, including at least one of the Preferred Directors.

The method of valuation of securities subject to investment letters or other similar restrictions on free marketability (other than restrictions arising solely by virtue of a stockholder's status as an affiliate or former affiliate) shall take into account an appropriate discount (as determined in good faith by the Board, including at least one of the Preferred Directors) from the market value as determined pursuant to clause (i) above so as to reflect the approximate fair market value thereof.

The foregoing methods for valuing non-cash consideration to be distributed in connection with a Combination or Asset Disposition shall, with the appropriate approval of the definitive agreements governing such Combination or Asset Disposition by the stockholders under the General Corporation Law and Section 3.3, be superseded by the determination of such value set forth in the definitive agreements governing such Combination or Asset Disposition.

2.3.4. Allocation of Escrow and Contingent Consideration. In the event of a Deemed Liquidation Event pursuant to Subsection 2.3.1(a), if any portion of the consideration payable to the stockholders of the Corporation is payable only upon satisfaction of contingencies (the "***Additional Consideration***"), the Merger Agreement shall provide that (a) the portion of such consideration that is not Additional Consideration (such portion, the "***Initial***

Consideration") shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1 and 2.2 as if the Initial Consideration were the only consideration payable in connection with such Deemed Liquidation Event; and (b) any Additional Consideration which becomes payable to the stockholders of the Corporation upon satisfaction of such contingencies shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1 and 2.2 after taking into account the previous payment of the Initial Consideration as part of the same transaction. For the purposes of this Subsection 2.3.4, consideration placed into escrow or retained as holdback to be available for satisfaction of indemnification or similar obligations in connection with such Deemed Liquidation Event shall be deemed to be Additional Consideration.

3. Voting.

3.1. General. On any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Fractional votes shall not be permitted and any fractional voting rights available on an as-converted basis (after aggregating all shares into which shares of Preferred Stock held by each holder could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward). Except as provided by law or by the other provisions of this Restated Certificate, holders of Preferred Stock shall vote together with the holders of Common Stock as a single class on an as-converted basis, shall have full voting rights and powers equal to the voting rights and powers of the holders of Common Stock, and shall be entitled, notwithstanding any provision hereof, to notice of any stockholders' meeting in accordance with the Bylaws of the Corporation.

3.2. Election of Directors.

3.2.1. Election. For so long as any shares of Series A Preferred Stock remain outstanding, the holders of record of the shares of Series A Preferred Stock, exclusively and as a separate class, shall be entitled to elect three (3) directors of the Corporation (the "***Series A Directors***"). For so long as any shares of Series E Preferred Stock remain outstanding, the holders of record of the shares of Series E Preferred Stock, exclusively and as a separate class, shall be entitled to elect one (1) director of the Corporation (the "***Series E Director***" and together with the Series A Directors, the "***Preferred Directors***"). The holders of record of the shares of Common Stock, exclusively and as a separate class, shall be entitled to elect three (3) directors of the Corporation (the "***Common Directors***"). The holders of record of the shares of Common Stock and of every other class or series of voting stock (including the Preferred Stock), voting together as a single class on an as-converted basis, shall be entitled to elect the remaining number of directors of the Corporation (the "***Remaining Directors***").

3.2.2. Vacancies Not Caused by Removal. If any vacancy in the office of any Common Director or Remaining Director exists, such vacancy may be filled (either contingently or otherwise) by the stockholders as specified in this Section 3.2 or by a majority of

the members of the Board then in office, although less than a quorum, or by a sole remaining member of the Board then in office, even if such directors or such sole remaining director were not elected by the holders of the class, classes or series that are entitled to elect a director or directors to office under the provisions of Section 3.2 (the "***Specified Stock***") and such electing director or directors shall specify at the time of such election the specific vacant directorship being filled.

3.2.3. Vacancies Caused by Removal. Any director elected as provided in the preceding sentences may be removed with or without cause by, and, except as provided otherwise in Section 3.2.2, any vacancy in the office of any such removed director may be filled by, and only by, the affirmative vote of the holders of the shares of the Specified Stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders.

3.2.4. Procedure. At any meeting held for the purpose of electing a director, the presence in person or by proxy of the holders of a majority of the outstanding shares of the Specified Stock entitled to elect such director shall constitute a quorum for the purpose of electing such director and the candidate or candidates to be elected by such Specified Stock shall be those who receive the highest number of affirmative votes (on an as-converted basis) of the outstanding shares of such Specified Stock. In the case of an action taken by written consent without a meeting, the candidate or candidates to be elected by such Specified Stock shall be those who are elected by the written consent of the holders of a majority of such Specified Stock.

3.3. Preferred Stock Protective Provisions. For so long as any shares of Preferred Stock remain outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or this Restated Certificate) the written consent, or affirmative vote at a meeting and evidenced in writing, of the holders of at least 65% of the then outstanding shares of Preferred Stock, consenting or voting together as a single class on an as-converted basis:

(a) amend the certificate of incorporation or bylaws of the Corporation, in a manner that adversely affects the powers, preferences or rights of the Preferred Stock;

(b) alter or change the rights, powers or preferences of the Preferred Stock set forth in the certificate of incorporation or bylaws of the Corporation, as then in effect, in a way that adversely affects the Preferred Stock; or

(c) increase or decrease the authorized number of shares of Common Stock or Preferred Stock (or any series thereof); or

(d) authorize or create (by reclassification or otherwise) any new class or series of capital stock having rights, powers or preferences set forth in this Restated Certificate, as then in effect, that are senior to or on a parity with any series of

Preferred Stock or authorize or create (by reclassification or otherwise) any security convertible into or exercisable for any such new class or series of capital stock; or

(e) redeem or repurchase (or permit any subsidiary to redeem or repurchase) any shares of Common Stock or Preferred Stock, other than (i) pursuant to an agreement with an employee, consultant, director or other service provider to the Corporation or any of its wholly owned subsidiaries (collectively, "***Service Providers***") giving the Corporation the right to repurchase shares at the original cost thereof upon the termination of services, (ii) an exercise of a right of first refusal in favor of the Corporation pursuant to an agreement with any Service Provider, which exercise has been approved by the Board or (iii) as approved by the Board, including at least one of the Preferred Directors, if any; or

(f) declare or pay any dividend or otherwise make a distribution to holders of Preferred Stock or Common Stock, other than a dividend on the Common Stock payable in shares of Common Stock; or

(g) either (i) issue any debt security, or permit any wholly owned subsidiary to issue any debt security if the aggregate indebtedness of the Corporation and its wholly owned subsidiaries for borrowed money (other than intercompany indebtedness) following such issuance would exceed $1,000,000 unless such debt security has been approved by the Board, including at least one of the Preferred Directors, if any, or (ii) or modify or amend the terms of any of indebtedness so long as the maximum indebtedness specified in this clause 3.3(g) has been exceeded; or

(h) liquidate, dissolve or wind-up the business and affairs of the Corporation, effect any Deemed Liquidation Event, or consent, agree or commit to any of the foregoing without conditioning such consent, agreement or commitment upon obtaining the approval required by this Section 3.3;

(i) create, or hold capital stock in, any subsidiary that is not wholly owned (either directly or through one or more other subsidiaries) by the Corporation, or sell, transfer or otherwise dispose of any capital stock of any direct or indirect subsidiary of the Corporation, or permit any direct or indirect subsidiary to sell, lease, transfer, exclusively license or otherwise dispose (in a single transaction or series of related transactions) of all or substantially all of the assets of such subsidiary;

(j) increase or decrease the authorized number of directors constituting the Board;

(k) cause or permit any of its subsidiaries to sell, issue, sponsor, create or distribute any digital tokens, cryptocurrency or other blockchain-based assets (collectively, "***Tokens***"), including through a pre-sale, initial coin offering, token distribution event or crowdfunding, or through the issuance of any instrument convertible into or exchangeable for Tokens; or

(l) amend this Section 3.3.

3.4. Series A Protective Provisions. For so long as any shares of Series A Preferred Stock remain outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or this Restated Certificate) the written consent, or affirmative vote at a meeting and evidenced in writing, of at least 65% of the outstanding shares of the Series A Preferred Stock (voting together as a single series on an as-converted basis):

(a) increase or decrease the authorized number of shares of Series A Preferred Stock; or

(b) amend the Restated Certificate if such amendment would alter or change the powers, preferences or special rights of the Series A Preferred Stock set forth in the Restated Certificate (including, without limitation, Subsection 2.3.1 and subsection 4.2.1 hereof), so as to affect them adversely, but would not so affect the entire class of Preferred Stock; it being understood that the authorization or issuance of any new class or series of capital stock having rights, powers or privileges senior to or on parity with any series of Preferred Stock shall not require any vote or consent under this Section 3.4(b).

3.5. Series B Protective Provisions. For so long as any shares of Series B Preferred Stock remain outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or this Restated Certificate) the written consent, or affirmative vote at a meeting and evidenced in writing, of the at least a majority of the outstanding shares of the Series B Preferred Stock (voting together as a single series on an as-converted basis):

(a) increase or decrease the authorized number of shares of Series B Preferred Stock; or

(b) amend the Restated Certificate if such amendment would alter or change the powers, preferences or special rights of the Series B Preferred Stock set forth in the Restated Certificate (including, without limitation, Subsection 2.3.1 and Subsection 4.2.1 hereof), so as to affect them adversely, but would not so affect the entire class of Preferred Stock; it being understood that the authorization or issuance of any new class or series of capital stock having rights, powers or privileges senior to or on parity with any series of Preferred Stock shall not require any vote or consent under this Section 3.5(b).

3.6. Series C Protective Provisions. For so long as any shares of Series C Preferred Stock remain outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or this Restated Certificate) the written consent, or affirmative

vote at a meeting and evidenced in writing, of at least a majority of the outstanding shares of the Series C Preferred Stock (voting together as a single series on an as-converted basis):

(a) increase or decrease the authorized number of shares of Series C Preferred Stock; or

(b) amend the Restated Certificate if such amendment would alter or change the powers, preferences or special rights of the Series C Preferred Stock set forth in the Restated Certificate (including, without limitation, Subsection 2.3.1 and Subsection 4.2.1 hereof), so as to affect them adversely, but would not so affect the entire class of Preferred Stock; it being understood that the authorization or issuance of any new class or series of capital stock having rights, powers or privileges senior to or on parity with any series of Preferred Stock shall not require any vote or consent under this Section 3.6(b).

3.7. Series D Protective Provisions. For so long as any shares of Series D Preferred Stock remain outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or this Restated Certificate) the written consent, or affirmative vote at a meeting and evidenced in writing, of at least a majority of the outstanding shares of the Series D Preferred Stock (voting together as a single series on an as-converted basis):

(a) increase or decrease the authorized number of shares of Series D Preferred Stock; or

(b) amend the Restated Certificate if such amendment would alter or change the powers, preferences or special rights of the Series D Preferred Stock set forth in the Restated Certificate (including, without limitation, Subsection 2.3.1, Subsection 2.3.2(a) (solely if the consideration payable with respect to each share of Series D Preferred Stock in a Deemed Liquidation Event at the closing of such Deemed Liquidation Event is less than the Original Issue Price applicable to the Series D Preferred Stock) and Subsection 4.2.1 hereof), so as to affect them adversely, but would not so affect the entire class of Preferred Stock; it being understood that the authorization or issuance of any new class or series of capital stock having rights, powers or privileges senior to or on parity with any series of Preferred Stock shall not require any vote or consent under this Section 3.7(b).

3.8. Series E Protective Provisions. For so long as any shares of Series E Preferred Stock remain outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or this Restated Certificate) the written consent, or affirmative vote at a meeting and evidenced in writing, of at least 75% of the outstanding shares of the Series E Preferred Stock (voting together as a single series on an as-converted basis):

(a) increase or decrease the authorized number of shares of Series E Preferred Stock; or

(b) amend the Restated Certificate if such amendment would alter or change the powers, preferences or special rights of the Series E Preferred Stock set forth in the Restated Certificate (including, without limitation, Subsection 2.3.1, Subsection 2.3.2(a) (solely if the consideration payable with respect to each share of Series E Preferred Stock in a Deemed Liquidation Event at the closing of such Deemed Liquidation Event is less than the Original Issue Price applicable to the Series E Preferred Stock) and Subsection 4.2.1 hereof), so as to affect them adversely, but would not so affect the entire class of Preferred Stock; it being understood that the authorization or issuance of any new class or series of capital stock having rights, powers or privileges senior to or on parity with any series of Preferred Stock shall not require any vote or consent under this Section 3.8(b).

3.9. Series F and Series F-1 Protective Provisions. For so long as any shares of Series F Preferred Stock and/or Series F-1 Preferred Stock remain outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or this Restated Certificate) the written consent, or affirmative vote at a meeting and evidenced in writing, of at least a majority of the outstanding shares of the Series F Preferred Stock and Series F-1 Preferred Stock (voting together as a single series on an as-converted basis):

(a) increase or decrease the authorized number of shares of Series F Preferred Stock and/or Series F-1 Preferred Stock; or

(b) amend the Restated Certificate if such amendment would alter or change the powers, preferences or special rights of the Series F Preferred Stock and/or the Series F-1 Preferred Stock set forth in the Restated Certificate (including, without limitation, Subsection 2.3.1, Subsection 2.3.2(a) (solely if the consideration payable with respect to each share of Series F Preferred Stock or Series F-1 Preferred Stock in a Deemed Liquidation Event at the closing of such Deemed Liquidation Event is less than the Original Issue Price applicable to the Series F Preferred Stock or the Series F-1 Preferred Stock) and Subsection 4.2.1 hereof), so as to affect them adversely, but would not so affect the entire class of Preferred Stock; it being understood that the authorization or issuance of any new class or series of capital stock having rights, powers or privileges senior to or on parity with any series of Preferred Stock shall not require any vote or consent under this Section 3.9(b).

4. Conversion Rights. The holders of the Preferred Stock shall have conversion rights as follows (the "***Conversion Rights***"):

4.1. Right to Convert.

4.1.1. Conversion Ratio. Each share of a series of Preferred Stock shall be convertible, at the option of the holder thereof, at any time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing the initial Conversion Price for such series of Preferred Stock by the Conversion Price (as defined below and subject to adjustment) for such

series of Preferred Stock in effect at the time of conversion. The "***Conversion Price***" for the Series A Preferred Stock shall initially mean $0.85 per share, for the Series B Preferred Stock, shall initially mean $2.754493 per share, for the Series C Preferred Stock shall initially mean $8.9474 per share, for the Series D Preferred Stock shall initially mean $14.66 per share, for the Series E Preferred Stock shall initially mean $14.66 per share, for the Series F Preferred Stock shall initially mean $14.66 per share, and for the Series F-1 Preferred Stock shall initially mean $14.66 per share. Such initial Conversion Price for each series of Preferred Stock, and the rate at which such shares of Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided in Section 5.

4.1.2. Notice of Conversion. In order for a holder of Preferred Stock to voluntarily convert shares of Preferred Stock into shares of Common Stock, such holder shall surrender the certificate or certificates for such shares of Preferred Stock (or, if such registered holder alleges that any such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for the Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent), together with written notice that such holder elects to convert all or any number of the shares of the Preferred Stock represented by such certificate or certificates and, if applicable, any event on which such conversion is contingent (a "***Contingency Event***"). Such notice shall state such holder's name or the names of the nominees in which such holder wishes the certificate or certificates for shares of Common Stock to be issued. If required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form reasonably satisfactory to the Corporation, duly executed by the registered holder or such holder's attorney duly authorized in writing. The close of business on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of such certificates (or lost certificate affidavit and agreement) and notice (or, if later, the date on which all Contingency Events have occurred) shall be the time of conversion (the "***Conversion Time***"), and the shares of Common Stock issuable upon conversion of the shares represented by such certificate shall be deemed to be outstanding of record as of such time. The Corporation shall, as soon as practicable after the Conversion Time, (a) issue and deliver to such holder of Preferred Stock, or to such holder's nominee(s), a certificate or certificates for the number of full shares of Common Stock issuable upon such conversion in accordance with the provisions hereof and a certificate for the number (if any) of the shares of Preferred Stock represented by the surrendered certificate that were not converted into Common Stock, (b) pay in cash such amount as provided in Section 5.7.3 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and (c) pay all declared but unpaid dividends on the shares of Preferred Stock converted.

4.1.3. Effect of Voluntary Conversion. All shares of Preferred Stock that shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the Conversion Time, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor, to receive payment in lieu of any fraction of a share otherwise

issuable upon such conversion as provided in Section 5.7.3 and to receive payment of any dividends declared but unpaid thereon. Any shares of Preferred Stock so converted shall be retired and cancelled and may not be reissued.

4.2. Mandatory Conversion.

4.2.1. Automatic Conversion. Upon either (a) the closing of the sale of shares of Common Stock to the public in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended (the "***Securities Act***") the public offering price of which was not less than $100,000,000 in the aggregate (a "***Qualified Public Offering***") or (b) the date and time, or the occurrence of an event, specified by vote or written consent of (w) the holders of at least 65% of the outstanding shares of Preferred Stock at the time of such vote or consent, voting together as a single class on an as-converted basis, (x) the holders of at least 30% of the outstanding shares of Series D Preferred Stock at the time of such vote or consent, voting separately on an as-converted basis, (y) the holders of at least 30% of the outstanding shares of Series E Preferred Stock at the time of such vote or consent, voting separately on an as-converted basis, and (z) the holders of at least a majority of the outstanding shares of Series F Preferred Stock and Series F-1 Preferred Stock at the time of such vote or consent, voting together as a single series on an as-converted basis, (i) all outstanding shares of Preferred Stock shall automatically be converted into shares of Common Stock, at the applicable ratio described in Section 4.1.1 as the same may be adjusted from time to time in accordance with Section 5 and (ii) such shares may not be reissued by the Corporation; provided that, notwithstanding the foregoing, should the vote or written consent referred to in clause (b) above be conducted or provided in anticipation of or in connection with a specific Deemed Liquidation Event contemplated by the Corporation, then, in lieu of the vote or written consent contemplated by clause (b) above, (i) all outstanding shares of the Series A Preferred Stock shall automatically be converted into shares of Common Stock (at the applicable ratio described in Section 4.1.1 as the same may be adjusted from time to time in accordance with Section 5 and which shares may not be reissued by the Corporation) if the holders of at least 65% of the outstanding shares of Series A Preferred Stock at the time of such vote or consent, voting together as a single series on an as-converted basis, vote or consent in writing to so convert on the date and time, or the occurrence of that Deemed Liquidation Event, that they so specify and/or (ii) all outstanding shares of the Series B Preferred Stock shall automatically be converted into shares of Common Stock (at the applicable ratio described in Section 4.1.1 as the same may be adjusted from time to time in accordance with Section 5 and which shares may not be reissued by the Corporation) if the holders of at least a majority of the outstanding shares of Series B Preferred Stock at the time of such vote or consent, voting together as a single series on an as-converted basis, vote or consent in writing to so convert on the date and time, or the occurrence of that Deemed Liquidation Event, that they so specify and/or (iii) all outstanding shares of the Series C Preferred Stock shall automatically be converted into shares of Common Stock (at the applicable ratio described in Section 4.1.1 as the same may be adjusted from time to time in accordance with Section 5 and which shares may not be reissued by the Corporation) if the holders of at least a majority of the outstanding shares of Series C Preferred Stock at the time of such vote or consent, voting together as a single series on an as-converted basis, vote or consent in writing to so convert on the date and time, or the occurrence of that Deemed

Liquidation Event, that they so specify and/or (iv) all outstanding shares of the Series D Preferred Stock shall automatically be converted into shares of Common Stock (at the applicable ratio described in Section 4.1.1 as the same may be adjusted from time to time in accordance with Section 5 and which shares may not be reissued by the Corporation) if the holders of at least a majority of the outstanding shares of Series D Preferred Stock at the time of such vote or consent, voting together as a single series on an as-converted basis, vote or consent in writing to so convert on the date and time, or the occurrence of that Deemed Liquidation Event, that they so specify and/or (v) all outstanding shares of the Series E Preferred Stock shall automatically be converted into shares of Common Stock (at the applicable ratio described in Section 4.1.1 as the same may be adjusted from time to time in accordance with Section 5 and which shares may not be reissued by the Corporation) if the holders of at least 75% of the outstanding shares of Series E Preferred Stock at the time of such vote or consent, voting together as a single series on an as-converted basis, vote or consent in writing to so convert on the date and time, or the occurrence of that Deemed Liquidation Event, that they so specify and/or (vi) all outstanding shares of the Series F Preferred Stock and Series F-1 Preferred Stock shall automatically be converted into shares of Common Stock (at the applicable ratio described in Section 4.1.1 as the same may be adjusted from time to time in accordance with Section 5 and which shares may not be reissued by the Corporation) if the holders of at least a majority of the outstanding shares of Series F Preferred Stock and Series F-1 Preferred Stock at the time of such vote or consent, voting together as a single series on an as-converted basis, vote or consent in writing to so convert on the date and time, or the occurrence of that Deemed Liquidation Event, that they so specify (in each instance above, the time of such closing or the date and time specified or the time of the event specified in such vote or written consent is referred to herein as the "***Mandatory Conversion Time***").

4.2.2. Mandatory Conversion Procedural Requirements.

(a) All holders of record of shares of Preferred Stock shall be sent written notice of the Mandatory Conversion Time and the place designated for mandatory conversion of all such shares of Preferred Stock pursuant to Section 4.2.1. Unless otherwise provided in this Restated Certificate, such notice need not be sent in advance of the occurrence of the Mandatory Conversion Time. Upon receipt of such notice, each holder of shares of Preferred Stock shall surrender such holder's certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice, and shall thereafter receive certificates for the number of shares of Common Stock to which such holder is entitled pursuant to this Section 4.2.

(b) If so required by the Corporation, certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form reasonably satisfactory to the Corporation, duly executed by the registered holder or by such holder's attorney duly authorized in writing. All rights with

respect to the Preferred Stock converted pursuant to this Section 4.2, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the Mandatory Conversion Time (notwithstanding the failure of the holder or holders thereof to surrender the certificates at or prior to such time), except only the rights of the holders thereof, upon surrender of their certificate or certificates (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Section 4.2.2(b). As soon as practicable after the Mandatory Conversion Time and the surrender of the certificate or certificates (or lost certificate affidavit and agreement) for Preferred Stock, the Corporation shall issue and deliver to such holder, or to such holder's nominee(s), a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof, together with cash as provided in Section 5.7.3 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of Preferred Stock converted. Such converted Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Preferred Stock (and the applicable series thereof) accordingly.

5. Adjustments to Conversion Price.

5.1. Adjustments for Diluting Issuances.

5.1.1. Special Definitions. For purposes of this Article IV, the following definitions shall apply:

(a) "***Option***" shall mean any right, option or warrant to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities from the Corporation.

(b) "***Original Issue Date***" shall mean the date on which the first share of the Series F-1 Preferred Stock was issued.

(c) "***Convertible Securities***" shall mean any evidence of indebtedness, shares or other securities issued by the Corporation that are directly or indirectly convertible into or exchangeable for Common Stock, but excluding Options.

(d) "***Additional Shares of Common Stock***" with respect to a series of Preferred Stock shall mean all shares of Common Stock issued (or, pursuant to Section 5.1.2 below, deemed to be issued) by the Corporation after the Original Issue Date for such series of Preferred Stock, other than the following shares of Common Stock and shares of Common Stock deemed issued pursuant to the following Options and

Convertible Securities (collectively as to all such shares and shares deemed issued, "***Exempted Securities***"):

(i) shares of Common Stock, Options or Convertible Securities issued as a dividend or distribution on such series of Preferred Stock;

(ii) shares of Common Stock, Options or Convertible Securities issued by reason of a dividend, stock split, split-up or other distribution on or subdivision of shares of Common Stock that is covered by Section 5.2, 5.3, 5.4, 5.5 or 5.6;

(iii) shares of Common Stock or Options to acquire shares of Common Stock, including but not limited to stock appreciation rights payable in shares of Common Stock or in Options or Convertible Securities, issued to Service Providers pursuant to a plan, agreement or arrangement approved by the Board, including at least one of the Preferred Directors, if any;

(iv) shares of Common Stock or Convertible Securities actually issued upon the exercise of Options, or shares of Common Stock actually issued upon the conversion or exchange of Convertible Securities, in each case provided that such issuance is pursuant to the terms of such Option or Convertible Security;

(v) shares of Common Stock, Options or Convertible Securities issued to banks, equipment lessors or other financial institutions pursuant to a debt financing or equipment leasing transaction approved by the Board, including at least one of the Preferred Directors, if any, provided that such issuance is for non-equity financing purposes;

(vi) shares of Common Stock, Options or Convertible Securities issued pursuant to a bona fide acquisition of another entity by the Corporation by merger or consolidation with, purchase of substantially all of the assets of, or purchase of more than fifty percent of the outstanding equity securities of, the other entity, or issued pursuant to a bona fide joint venture agreement, *provided* that such issuances are approved by the Board, including at least one of the Preferred Directors, if any;

(vii) shares of Common Stock, Options or Convertible Securities issued in connection with sponsored research, collaboration, technology license, development, OEM, marketing or other similar agreements or strategic partnerships approved by the Board, including at least one of the Preferred Directors, if any, provided that such issuance is for non-equity financing purposes;

(viii) shares of Common Stock, Options or Convertible Securities issued as a result of a decrease in the Conversion Price of any series of Preferred Stock resulting from the operation of Section 5.1.3;

(ix) shares of Common Stock issued in a Qualified Public Offering; or

(x) as to any particular series of Preferred Stock the issuance or deemed issuance of Common Stock if the Corporation receives written notice from the holders of at least 65% of the then outstanding shares of such series of Preferred Stock on an as-converted basis agreeing that no adjustment shall be made to the Conversion Price of such series as a result of the issuance or deemed issuance.

5.1.2. Deemed Issue of Additional Shares of Common Stock.

(a) If the Corporation at any time or from time to time after the Original Issue Date for a series of Preferred Stock shall issue any Options or Convertible Securities (excluding Options or Convertible Securities which are themselves Exempted Securities) or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares of Common Stock (as set forth in the instrument relating thereto, assuming the satisfaction of any conditions to exercisability, convertibility or exchangeability (including the passage of time) but without regard to any provision contained therein for a subsequent adjustment of such number including by way of anti-dilution adjustment) issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date.

(b) If the terms of any Option or Convertible Security, the issuance of which resulted in an adjustment to the Conversion Price of a series of Preferred Stock pursuant to the terms of Section 5.1.3, are revised as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (i) any increase or decrease in the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any such Option or Convertible Security or (ii) any increase or decrease in the consideration payable to the Corporation upon such exercise, conversion and/or exchange, then, effective upon such increase or decrease becoming effective, the Conversion Price of such series of Preferred Stock computed upon the original issue of such Option or Convertible Security (or upon the occurrence of a record date with respect thereto) shall be readjusted to such Conversion Price of such series of Preferred Stock as would have obtained had such revised terms been in effect upon the original date of issuance of such Option or

Convertible Security. Notwithstanding the foregoing, no readjustment pursuant to this Section 5.1.2(b) shall have the effect of increasing the Conversion Price of a series of Preferred Stock to an amount which exceeds the lower of (1) the Conversion Price for such series of Preferred Stock in effect immediately prior to the original adjustment made as a result of the issuance of such Option or Convertible Security, or (2) the Conversion Price for such series of Preferred Stock that would have resulted from any issuances of Additional Shares of Common Stock (other than deemed issuances of Additional Shares of Common Stock as a result of the issuance of such Option or Convertible Security) between the original adjustment date and such readjustment date.

(c) If the terms of any Option or Convertible Security (excluding Options or Convertible Securities that are themselves Exempted Securities), the issuance of which did not result in an adjustment to the Conversion Price of a series of Preferred Stock pursuant to the terms of Section 5.1.3 (either because the consideration per share (determined pursuant to Section 5.1.4) of the Additional Shares of Common Stock subject thereto was equal to or greater than the Conversion Price of such series of Preferred Stock then in effect, or because such Option or Convertible Security was issued before the Original Issue Date of such series of Preferred Stock), are revised after the Original Issue Date of such series of Preferred Stock as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (i) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (ii) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such Option or Convertible Security, as so amended or adjusted, and the Additional Shares of Common Stock subject thereto (determined in the manner provided in Section 5.1.2(a)) shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(d) Upon the expiration or termination of any unexercised Option or unconverted or unexchanged Convertible Security (or portion thereof) that resulted (either upon its original issuance or upon a revision of its terms) in an adjustment to the Conversion Price of a series of Preferred Stock pursuant to the terms of Section 5.1.3, the Conversion Price of such series of Preferred Stock shall be readjusted to such Conversion Price of such series of Preferred Stock as would have obtained had such Option or Convertible Security (or portion thereof) never been issued.

(e) If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, is calculable at the time such Option or Convertible Security is issued or amended but is subject to adjustment based upon subsequent events, any adjustment to the Conversion Price of a series of Preferred Stock provided for in this Section 5.1.2 shall be effected at the time of such issuance or amendment based on such number of shares or

amount of consideration without regard to any provisions for subsequent adjustments (and any subsequent adjustments shall be treated as provided in Sections 5.1.2(b) and 5.1.2(c)). If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, cannot be calculated at all at the time such Option or Convertible Security is issued or amended, any adjustment to such Conversion Price that would result under the terms of this Section 5.1.2 at the time of such issuance or amendment shall instead be effected at the time such number of shares and/or amount of consideration is first calculable (even if subject to subsequent adjustments), assuming for purposes of calculating such adjustment to such Conversion Price that such issuance or amendment took place at the time such calculation can first be made.

5.1.3. Issuance of Additional Shares of Common Stock. In the event the Corporation shall at any time after the Original Issue Date of a series of Preferred Stock issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Section 5.1.2), without consideration or for a consideration per share less than the Conversion Price for such series of Preferred Stock in effect immediately prior to such issue, then such Conversion Price shall be reduced, concurrently with such issue, to a price (calculated to the nearest one-thousandth of a cent) determined in accordance with the following formula:

$$CP_2 = CP_1 * (A + B) \div (A + C).$$

For purposes of the foregoing formula, the following definitions shall apply:

"CP_2" shall mean the applicable Conversion Price in effect immediately after such issue or deemed issue of Additional Shares of Common Stock

"CP_1" shall mean the applicable Conversion Price in effect immediately prior to such issue or deemed issue of Additional Shares of Common Stock;

"A" shall mean the number of shares of Common Stock outstanding immediately prior to such issue or deemed issue of Additional Shares of Common Stock (treating for this purpose as outstanding all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such issue or upon conversion or exchange of Convertible Securities (including the Preferred Stock) outstanding (assuming exercise of any outstanding Options therefor) immediately prior to such issue);

"B" shall mean the number of shares of Common Stock that would have been issued or deemed issued if such Additional Shares of Common Stock had been issued at a price per share equal to CP1 (determined by dividing the aggregate consideration received by the Corporation in respect of such issue by CP1); and

"C" shall mean the number of such Additional Shares of Common Stock actually issued or deemed issued in such transaction.

5.1.4. Determination of Consideration. For purposes of this Section 5.1, the consideration received by the Corporation for the issue or deemed issue of any Additional Shares of Common Stock shall be computed as follows:

(a) Cash and Property: Such consideration shall:

(i) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation, excluding amounts paid or payable for accrued interest;

(ii) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board; and

(iii) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (i) and (ii) above, as determined in good faith by the Board.

(b) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Section 5.1.2, relating to Options and Convertible Securities, shall be determined by dividing

(i) the total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by

(ii) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities.

5.1.5. Multiple Closing Dates. In the event the Corporation shall issue on more than one date Additional Shares of Common Stock that are a part of one transaction or a series of related transactions and that would result in an adjustment to the Conversion Price of a

series of Preferred Stock pursuant to the terms of Section 5.1.2 and such issuance dates occur within a period of no more than 120 days after the first such issuance to the final such issuance, then, upon the final such issuance, the Conversion Price of such series of Preferred Stock shall be readjusted to give effect to all such issuances as if they occurred on the date of the first such issuance (and without giving effect to any additional adjustments as a result of any such subsequent issuances within such period that are a part of such transaction or series of related transaction).

5.2. Adjustment for Stock Splits and Combinations. If the Corporation shall at any time or from time to time after the Original Issue Date for a series of Preferred Stock effect a subdivision of the outstanding Common Stock, the Conversion Price for such series of Preferred Stock in effect immediately before that subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding. If the Corporation shall at any time or from time to time after the Original Issue Date for a series of Preferred Stock combine the outstanding shares of Common Stock, the Conversion Price for such series of Preferred Stock in effect immediately before the combination shall be proportionately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock outstanding. Any adjustment under this Section 5.2 shall become effective at the close of business on the date the subdivision or combination becomes effective.

5.3. Adjustment for Certain Dividends and Distributions. In the event the Corporation at any time or from time to time after the Original Issue Date for a series of Preferred Stock shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event the Conversion Price for such series of Preferred Stock in effect immediately before such event shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying such Conversion Price then in effect by a fraction:

(a) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(b) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

Notwithstanding the foregoing, (i) if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, such Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter such Conversion Price shall be adjusted pursuant to this Section 5.3 as of the time of

actual payment of such dividends or distributions; and (ii) no such adjustment shall be made if the holders of such series of Preferred Stock simultaneously receive a dividend or other distribution of shares of Common Stock in a number equal to the number of shares of Common Stock as they would have received if all outstanding shares of such series of Preferred Stock had been converted into Common Stock on the date of such event.

5.4. Adjustments for Other Dividends and Distributions. In the event the Corporation at any time or from time to time after the Original Issue Date for a series of Preferred Stock shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than a distribution of shares of Common Stock in respect of outstanding shares of Common Stock), then and in each such event the holders of such series of Preferred Stock shall receive, simultaneously with the distribution to the holders of Common Stock, a dividend or other distribution of such securities in an amount equal to the amount of such securities as they would have received if all outstanding shares of such series of Preferred Stock had been converted into Common Stock on the date of such event.

5.5. Adjustment for Reclassification, Exchange and Substitution. If, at any time or from time to time after the Original Issue Date for a series of Preferred Stock, the Common Stock issuable upon the conversion of such series of Preferred Stock is changed into the same or a different number of shares of any class or classes of stock of the Corporation, whether by recapitalization, reclassification or otherwise (other than by a stock split or combination, dividend, distribution, merger or consolidation covered by Sections 5.2, 5.3, 5.4 or 5.6 or by Section 2.3 regarding a Deemed Liquidation Event), then in any such event each holder of such series of Preferred Stock shall have the right thereafter to convert such stock into the kind and amount of stock and other securities and property receivable upon such recapitalization, reclassification or other change by holders of the number of shares of Common Stock into which such shares of Preferred Stock could have been converted immediately prior to such recapitalization, reclassification or change.

5.6. Adjustment for Merger or Consolidation. Subject to the provisions of Section 2.3, if there shall occur any consolidation or merger involving the Corporation in which the Common Stock (but not a series of Preferred Stock) is converted into or exchanged for securities, cash or other property (other than a transaction covered by Sections 5.1, 5.3, 5.4 or 5.5), then, following any such consolidation or merger, provision shall be made that each share of such series of Preferred Stock shall thereafter be convertible in lieu of the Common Stock into which it was convertible prior to such event into the kind and amount of securities, cash or other property which a holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one share of such series of Preferred Stock immediately prior to such consolidation or merger would have been entitled to receive pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the Board) shall be made in the application of the provisions in Section 4 and this Section 5 with respect to the rights and interests thereafter of the holders of such series of Preferred Stock, to the end that the provisions set forth in Section 4 and this Section 5 shall thereafter be applicable, as nearly as reasonably

may be, in relation to any securities or other property thereafter deliverable upon the conversion of such series of Preferred Stock.

5.7. General Conversion Provisions.

5.7.1. Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Conversion Price of a series of Preferred Stock pursuant to this Section 5, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than 15 days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of such series of Preferred Stock a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which such series of Preferred Stock is convertible) and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of any series of Preferred Stock (but in any event not later than 10 days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (a) the Conversion Price of such series of Preferred Stock then in effect and (b) the number of shares of Common Stock and the amount, if any, of other securities, cash or property which then would be received upon the conversion of such series of Preferred Stock.

5.7.2. Reservation of Shares. The Corporation shall at all times while any share of Preferred Stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Preferred Stock, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Preferred Stock, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to this Restated Certificate. Before taking any action that would cause an adjustment reducing the Conversion Price of a series of Preferred Stock below the then par value of the shares of Common Stock issuable upon conversion of such series of Preferred Stock, the Corporation will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and nonassessable shares of Common Stock at such adjusted Conversion Price.

5.7.3. Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the fair value of a share of Common Stock as determined in good faith by the Board. Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of shares of Preferred Stock the holder is at the time converting into Common Stock and the aggregate number of shares of Common Stock issuable upon such conversion.

5.7.4. No Further Adjustment after Conversion. Upon any conversion of shares of Preferred Stock into Common Stock, no adjustment to the Conversion Price of the applicable series of Preferred Stock shall be made with respect to the converted shares for any declared but unpaid dividends on such series of Preferred Stock or on the Common Stock delivered upon conversion.

6. Redemption. The Preferred Stock shall not be redeemable at the option of the holder thereof.

7. No Reissuance of Redeemed or Otherwise Acquired Preferred Stock. Any shares of Preferred Stock that are redeemed or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately retired and shall not be reissued, sold or transferred. Neither the Corporation nor any of its subsidiaries may exercise any voting or other rights, powers and preferences granted to the holders of Preferred Stock following the close of business on the third day preceding the redemption or other acquisition by the Corporation or any of its subsidiaries of such shares.

8. Waiver. Any of the rights, powers, preferences and other terms of a series of the Preferred Stock or the Preferred Stock as a class that are set forth herein, except for the rights, powers, preferences and other terms set forth in Section 2.3.1, Section 3.4, Section 3.5, Section 3.6, Section 3.7, 3.8, 3.9 and Section 4.2.1 hereof, may be waived on behalf of all holders of such series of Preferred Stock or the Preferred Stock as a class by the affirmative written consent or vote of the holders of at least (i) in the case of the Series A Preferred Stock, 65% of the shares of such series of the Series A Preferred Stock that are then outstanding (ii) in the case of the Series B Preferred Stock, Series C Preferred Stock, or Series D Preferred Stock, a majority of the shares of such series of Preferred Stock that are then outstanding, each voting separately as to its own series, (iii) in the case of the Series E Preferred Stock, at least 75% of the shares of the Series E Preferred Stock that are then outstanding, treating any convertible Preferred Stock as-if converted to Common Stock, or (iv) in the case of the Series F Preferred Stock and Series F-1 Preferred Stock, a majority of the shares of Series F Preferred Stock and Series F-1 Preferred Stock that are then outstanding, voting together as a single series on an as-converted basis; provided, that a waiver of Section 2.3.2(a) shall require the affirmative written consent or vote of the holders of at least 65% of the shares of Series D Preferred Stock if the consideration payable with respect to each share of Series D Preferred Stock in a Deemed Liquidation Event at the closing of such Deemed Liquidation Event is less than the Original Issue Price applicable to the Series D Preferred Stock, the affirmative written consent or vote of the holders of at least 75% of the shares of Series E Preferred Stock if the consideration payable with respect to each share of Series E Preferred Stock in a Deemed Liquidation Event at the closing of such Deemed Liquidation Event is less than the Original Issue Price applicable to the Series E Preferred Stock, and the affirmative written consent or vote of the holders of at least a majority of the shares of Series F Preferred Stock and Series F-1 Preferred Stock, voting together as a single series on an as-converted basis, if the consideration payable with respect to each share of Series F Preferred Stock or Series F-1 Preferred Stock in a Deemed Liquidation Event at the closing of such Deemed Liquidation Event is less than the Original Issue Price applicable to the Series F Preferred Stock or Series F-1 Preferred Stock.

9. Notice of Record Date. In the event:

(a) the Corporation shall set a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon conversion of the Preferred Stock) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or

(b) of any capital reorganization of the Corporation, any reclassification of the Common Stock of the Corporation, or any Deemed Liquidation Event; or

(c) of the voluntary or involuntary dissolution, liquidation or winding-up of the Corporation,

then, and in each such case, the Corporation will send or cause to be sent to the holders of the Preferred Stock a notice specifying, as the case may be, (i) the record date for such dividend, distribution or subscription right, and the amount and character of such dividend, distribution or subscription right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up is proposed to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon the conversion of the Preferred Stock) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Preferred Stock and the Common Stock. Such notice shall be sent (A) at least 20 days prior to the earlier of the record date or effective date for the event specified in such notice or (B) such fewer number of days as may be approved the holders of at least 65% of the outstanding shares of Preferred Stock acting as a single class on an as-converted basis.

10. Notices. Except as otherwise provided herein, any notice required or permitted by the provisions of this Article IV to be given to a holder of shares of Preferred Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation for such holder, given by the holder to the Corporation for the purpose of notice or given by electronic communication in compliance with the provisions of the General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission. If no such address appears or is given, notice shall be deemed given at the place where the principal executive office of the Corporation is located.

ARTICLE V: PREEMPTIVE RIGHTS.

No stockholder of the Corporation shall have a right to purchase shares of capital stock of the Corporation sold or issued by the Corporation except to the extent that such a right may from time to time be set forth in a written agreement between the Corporation and any stockholder.

ARTICLE VI: STOCK REPURCHASES.

In accordance with Section 500 of the California Corporations Code, a distribution can be made without regard to any preferential dividends arrears amount (as defined in Section 500 of the California Corporations Code) or any preferential rights amount (as defined in Section 500 of the California Corporations Code) in connection with (i) repurchases of Common Stock issued to or held by employees, officers, directors or consultants of the Corporation or its subsidiaries upon termination of their employment or services pursuant to agreements providing for the right of said repurchase, (ii) repurchases of Common Stock issued to or held by employees, officers, directors or consultants of the Corporation or its subsidiaries pursuant to rights of first refusal contained in agreements providing for such right, (iii) repurchases of Common Stock or Preferred Stock in connection with the settlement of disputes with any stockholder, or (iv) any other repurchase or redemption of Common Stock or Preferred Stock approved by the holders of Preferred Stock of the Corporation.

ARTICLE VII: BYLAW PROVISIONS.

A. AMENDMENT OF BYLAWS. Subject to any additional vote required by this Restated Certificate or the Bylaws, in furtherance and not in limitation of the powers conferred by statute, the Board is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws of the Corporation.

B. NUMBER OF DIRECTORS. Subject to any additional vote required by this Restated Certificate, the number of directors of the Corporation shall be determined in the manner set forth in the Bylaws of the Corporation.

C. BALLOT. Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

D. MEETINGS AND BOOKS. Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws of the Corporation may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board or in the Bylaws of the Corporation.

ARTICLE VIII: DIRECTOR LIABILITY.

A. LIMITATION. To the fullest extent permitted by law, 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. If the General Corporation Law or any other law of the State of Delaware is amended after approval by the stockholders of this Article VIII to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law as so amended. Any repeal or modification of the foregoing provisions of this Article VIII by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of, or

increase the liability of any director of the Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

B. INDEMNIFICATION. 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 General Corporation 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 Section 145 of the General Corporation Law.

C. MODIFICATION. Any amendment, repeal or modification of the foregoing provisions of this Article VIII shall not adversely affect any right or protection of any director, officer or other agent of the Corporation existing at the time of such amendment, repeal or modification.

ARTICLE IX: CORPORATE OPPORTUNITIES.

In the event that a director of the Corporation who is also a partner or employee of an entity that is a holder of Preferred Stock or any of its Affiliates and that is in the business of investing and reinvesting in other entities (each, a "***Fund***"), acquires knowledge of a potential transaction or matter in such person's capacity as a partner or employee of the Fund and that may be a corporate opportunity for both the Corporation and such Fund, such director shall to the fullest extent permitted by law have fully satisfied and fulfilled such director's fiduciary duty to the Corporation and its stockholders with respect to such corporate opportunity, and the Corporation to the fullest extent permitted by law waives any claim that such business opportunity constituted a corporate opportunity that should have been presented to the Corporation or any of its affiliates, if such director acts in good faith in a manner consistent with the following policy: a corporate opportunity offered to any person who is a director of the Corporation, and who is also a partner or employee of a Fund shall belong to such Fund, unless such opportunity was expressly offered to such person solely in his or her capacity as a director of the Corporation.

ARTICLE X: CREDITOR AND STOCKHOLDER COMPROMISES.

Whenever a compromise or arrangement is proposed between the Corporation and its creditors or any class of them and/or between the Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on the application in a summary way of the Corporation or of any creditor or stockholder thereof or on the application of any receiver or receivers appointed for the Corporation under the provisions of §291 of Title 8 of the General Corporation Law or on the application of trustees in dissolution or of any receiver or receivers appointed for this Corporation under §279 of Title 8 of the General Corporation Law order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of the Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of the Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of the Corporation as

a consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of the Corporation, as the case may be, and also on the Corporation.

* * * * * * * * * * *

Exhibit 3.3

CEREBRAS SYSTEMS INC.

a Delaware Corporation

BYLAWS

As Adopted April 6, 2016

CEREBRAS SYSTEMS INC.
a Delaware Corporation

BYLAWS

As Adopted April 6, 2016

ARTICLE I.
STOCKHOLDERS

Section 1.1 Annual Meetings. Unless members of the Board of Directors of the Corporation (the "***Board***") are elected by written consent in lieu of an annual meeting, as permitted by Section 211 of the Delaware General Corporation Law (the "***DGCL***") and these Bylaws, an annual meeting of stockholders shall be held for the election of directors at such date and time as the Board shall each year fix. The meeting may be held either at a place, within or without the State of Delaware, or by means of remote communication as the Board in its sole discretion may determine. Any proper business may be transacted at the annual meeting.

Section 1.2 Special Meetings. Special meetings of stockholders for any purpose or purposes may be called at any time by the Chairperson of the Board, the Chief Executive Officer, the President, the holders of shares of the Corporation that are entitled to cast not less than ten percent (10%) of the total number of votes entitled to be cast by all stockholders at such meeting, or by a majority of the "***Whole Board***," which shall mean the total number of authorized directors, whether or not there exist any vacancies in previously authorized directorships. Special meetings may not be called by any other person or persons. If a special meeting of stockholders is called by any person or persons other than by a majority of the members of the Board, then such person or persons shall request such meeting by delivering a written request to call such meeting to each member of the Board, and the Board shall then determine the time and date of such special meeting, which shall be held not more than one hundred twenty (120) days nor less than thirty-five (35) days after the written request to call such special meeting was delivered to each member of the Board. The special meeting may be held either at a place, within or without the State of Delaware, or by means of remote communication as the Board in its sole discretion may determine.

Section 1.3 Notice of Meetings. Notice of all meetings of stockholders shall be given in writing or by electronic transmission in the manner provided by law (including, without limitation, as set forth in Section 7.1.1 of these Bylaws) stating the date, time and place, if any, of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise required by applicable law or the Certificate of Incorporation of the Corporation (the "***Certificate of Incorporation***"), such notice shall be given not less than ten (10), nor more than sixty (60), days before the date of the meeting to each stockholder of record entitled to vote at such meeting.

Section 1.4 Adjournments. The chairperson of the meeting shall have the power to adjourn the meeting to another time, date and place (if any). Any meeting of stockholders may adjourn from time to time, and notice need not be given of any such adjourned meeting if the

time, date and place (if any) thereof 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 such adjourned meeting are announced at the meeting at which the adjournment is taken; *provided*, *however*, that if the adjournment is for more than thirty (30) days, or if a new record date is fixed for the adjourned meeting, then a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. At the adjourned meeting the Corporation may transact any business that might have been transacted at the original meeting. To the fullest extent permitted by law, the Board may postpone or reschedule any previously scheduled special or annual meeting of stockholders before it is to be held, in which case notice shall be provided to the stockholders of the new date, time and place, if any, of the meeting as provided in Section 1.3 above.

Section 1.5 Quorum. At each meeting of stockholders the holders of a majority of the voting power of the shares of stock entitled to vote at the meeting, present in person or represented by proxy, shall constitute a quorum for the transaction of business, unless otherwise required by applicable law. If a quorum shall fail to attend any meeting, the chairperson of the meeting or the holders of a majority of the shares entitled to vote who are present, in person or by proxy, at the meeting may adjourn the meeting. Shares of the Corporation's stock belonging to the Corporation (or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation are held, directly or indirectly, by the Corporation), shall neither be entitled to vote nor be counted for quorum purposes; *provided*, *however*, that the foregoing shall not limit the right of the Corporation or any other corporation to vote any shares of the Corporation's stock held by it in a fiduciary capacity and to count such shares for purposes of determining a quorum.

Section 1.6 Organization. Meetings of stockholders shall be presided over by such person as the Board may designate, or, in the absence of such a person, the Chairperson of the Board, or, in the absence of such person, the President of the Corporation, or, in the absence of such person, such person as may be chosen by the holders of a majority of the voting power of the shares entitled to vote who are present, in person or by proxy, at the meeting. Such person shall be chairperson of the meeting and, subject to Section 1.11 hereof, shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of discussion as seems to him or her to be in order. The Secretary of the Corporation shall act as secretary of the meeting, but in such person's absence the chairperson of the meeting may appoint any person to act as secretary of the meeting.

Section 1.7 Voting; Proxies. Each stockholder entitled to vote at a meeting of stockholders, or to take corporate action by written consent without a meeting, may authorize another person or persons to act for such stockholder by proxy. Such a proxy may be prepared, transmitted and delivered in any manner permitted by applicable law. Except as may be required in the Certificate of Incorporation, directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. Unless otherwise provided by applicable law, the Certificate of Incorporation or these Bylaws, every matter other than the election of directors shall be decided by the affirmative vote of the holders of a majority of the voting power of the shares of stock

entitled to vote on such matter that are present in person or represented by proxy at the meeting and are voted for or against the matter.

Section 1.8 Fixing Date for Determination of Stockholders of Record. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or to take corporate action by written consent without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or 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 may fix, except as otherwise required by law, in advance, a record date, which shall not precede the date upon which the resolution fixing the record date is adopted by the Board and which shall not be more than sixty (60), nor less than ten (10), days before the date of such meeting, nor, except as provided in Section 1.8.2 below, more than sixty (60) days prior to any other action. If no record date is fixed by the Board, then the record date shall be as provided by applicable law. To the fullest extent provided by law, 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 may fix a new record date for the adjourned meeting.

Section 1.9 List of Stockholders Entitled to Vote. A complete list of stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order and showing the address of each stockholder and the number of shares registered in the name of each stockholder, shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten (10) days prior to the meeting, either on a reasonably accessible electronic network as permitted by law (provided that the information required to gain access to the list is provided with the notice of the meeting) or during ordinary business hours at the principal place of business of the Corporation. If the meeting is held at a location where stockholders may attend in person, the list shall also be produced and kept at the time and place of the meeting during the whole time thereof and may be inspected by any stockholder who is present at the meeting. If the meeting is held solely by means of remote communication, then the list shall be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access the list shall be provided with the notice of the meeting.

Section 1.10 Action by Written Consent of Stockholders.

1.10.1 Procedure. Unless otherwise provided by the Certificate of Incorporation, any action required or permitted to 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 in writing, setting forth the action so taken, shall be signed in the manner permitted by law by the holders of outstanding stock having not less than the 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 Corporation by delivery to its registered office in the State of Delaware, to its principal place of business or to 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 agent of the Corporation's registered office in the State of

Delaware shall be by hand or by certified or registered mail, return receipt requested. Written stockholder consents shall bear the date of signature of each stockholder who signs the consent in the manner permitted by law and shall be delivered to the Corporation as provided in Section 1.10.2 below. No written consent shall be effective to take the action set forth therein unless, within sixty (60) days of the earliest dated consent delivered to the Corporation in the manner required by law, written consents signed by a sufficient number of stockholders to take the action set forth therein are delivered to the Corporation in the manner required by law.

1.10.2 Form of Consent. A telegram, cablegram or other electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxy holder, or a person or persons authorized to act for a stockholder or proxy holder, shall be deemed to be written, signed and dated for the purposes of this section, provided that any such telegram, cablegram or other electronic transmission sets forth or is delivered with information from which the Corporation can determine (a) that the telegram, cablegram or other electronic transmission was transmitted by the stockholder or proxy holder or by a person or persons authorized to act for the stockholder or proxy holder and (b) the date on which such stockholder or proxy holder or authorized person or persons transmitted such telegram, cablegram or electronic transmission. The date on which such telegram, cablegram or electronic transmission is transmitted shall be deemed to be the date on which such consent was signed. No consent given by telegram, cablegram or other electronic transmission shall be deemed to have been delivered until such consent is reproduced in paper form and until such paper form shall be 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 a Corporation's registered office shall be made by hand or by certified or registered mail, return receipt requested. Notwithstanding the foregoing limitations on delivery, consents given by telegram, cablegram or other electronic transmission may be otherwise delivered to the principal place of business of the Corporation or to an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded if, to the extent and in the manner provided by resolution of the Board. 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.

1.10.3 Notice of Consent. Prompt notice of the taking of corporate action by stockholders without a meeting by less than unanimous written consent of the stockholders shall be given to those stockholders who have not consented thereto in writing 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 written consents signed by a sufficient number of holders to take the action were delivered to the Corporation as required by law. If the action which is consented to is such as would have required the filing of a certificate under the DGCL (the "***Certificate of Action***") if such action had been voted on by stockholders at a meeting thereof, then if the DGCL so requires, the certificate so filed shall state, in lieu of any statement required by the DGCL concerning any vote of stockholders, that written stockholder consent has been given in accordance with Section 228 of the DGCL.

Section 1.11 Inspectors of Elections.

1.11.1 Applicability. Unless otherwise required by the Certificate of Incorporation or by the DGCL, the following provisions of this Section 1.11 shall apply only if and when the Corporation has a class of voting stock that is: (a) listed on a national securities exchange; (b) authorized for quotation on an interdealer quotation system of a registered national securities association; or (c) held of record by more than two thousand (2,000) stockholders. In all other cases, observance of the provisions of this Section 1.11 shall be optional, and at the discretion of the Board.

1.11.2 Appointment. The Corporation shall, in advance of any meeting of stockholders, appoint one or more inspectors of election to act at the meeting and make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting.

1.11.3 Inspector's Oath. Each inspector of election, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of such inspector's ability.

1.11.4 Duties of Inspectors. At a meeting of stockholders, the inspectors of election shall (a) ascertain the number of shares outstanding and the voting power of each share, (b) determine the shares represented at a meeting and the validity of proxies and ballots, (c) count all votes and ballots, (d) determine and retain for a reasonable period of time a record of the disposition of any challenges made to any determination by the inspectors, and (e) certify their determination of the number of shares represented at the meeting, and their count of all votes and ballots. The inspectors may appoint or retain other persons or entities to assist the inspectors in the performance of the duties of the inspectors.

1.11.5 Opening and Closing of Polls. The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced by the chairperson of the meeting at the meeting. No ballot, proxies or votes, nor any revocations thereof or changes thereto, shall be accepted by the inspectors after the closing of the polls unless the Court of Chancery upon application by a stockholder shall determine otherwise.

1.11.6 Determinations. In determining the validity and counting of proxies and ballots, the inspectors shall be limited to an examination of the proxies, any envelopes submitted with those proxies, any information provided in connection with proxies in accordance with any information provided pursuant to Section 21l(a)(2)(B)(i) of the DGCL, or Sections 21l(e) or 212(c)(2) of the DGCL, ballots and the regular books and records of the Corporation, except that the inspectors may consider other reliable information for the limited purpose of reconciling proxies and ballots submitted by or on behalf of banks, brokers, their nominees or similar persons which represent more votes than the holder of a proxy is authorized by the record owner to cast or more votes than the stockholder holds of record. If the inspectors consider other reliable information for the limited purpose permitted herein, the inspectors at the time they

make their certification of their determinations pursuant to this Section 1.11 shall specify the precise information considered by them, including the person or persons from whom they obtained the information, when the information was obtained, the means by which the information was obtained and the basis for the inspectors' belief that such information is accurate and reliable.

ARTICLE II.
BOARD OF DIRECTORS

Section 2.1 **Number; Qualifications**. The Board shall consist of one or more members. The initial number of directors shall be Two (2), and, thereafter, unless otherwise required by law or the Certificate of Incorporation, shall be fixed from time to time by resolution of a majority of the Whole Board or the stockholders of the Corporation holding at least a majority of the voting power of the Corporation's outstanding stock then entitled to vote at an election of directors. No decrease in the authorized number of directors constituting the Board shall shorten the term of any incumbent director. Directors need not be stockholders of the Corporation.

Section 2.2 **Election; Resignation; Removal; Vacancies**. The Board shall initially consist of the person or persons elected by the incorporator or named in the Corporation's initial Certificate of Incorporation. Each director shall hold office until the next annual meeting of stockholders and until such director's successor is elected and qualified, or until such director's earlier death, resignation or removal. Any director may resign at any time upon written notice to the Corporation. Subject to the rights of any holders of Preferred Stock then outstanding: (a) any director or the entire Board may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors and (b) any vacancy occurring in the Board for any reason, and any newly created directorship resulting from any increase in the authorized number of directors to be elected by all stockholders having the right to vote as a single class, may be filled by the stockholders, by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.

Section 2.3 **Regular Meetings**. Regular meetings of the Board may be held at such places, within or without the State of Delaware, and at such times as the Board may from time to time determine. Notice of regular meetings need not be given if the date, times and places thereof are fixed by resolution of the Board.

Section 2.4 **Special Meetings**. Special meetings of the Board may be called by the Chairperson of the Board, the President or a majority of the members of the Board then in office and may be held at any time, date or place, within or without the State of Delaware, as the person or persons calling the meeting shall fix. Notice of the time, date and place of such meeting shall be given, orally, in writing or by electronic transmission (including electronic mail), by the person or persons calling the meeting to all directors at least four (4) days before the meeting if the notice is mailed, or at least twenty-four (24) hours before the meeting if such notice is given by telephone, hand delivery, telegram, telex, mailgram, facsimile, electronic mail or other means of electronic transmission. Unless otherwise indicated in the notice, any and all business may be transacted at a special meeting.

Section 2.5 **Remote Meetings Permitted**. Members of the Board, or any committee of the Board, may participate in a meeting of the Board or such committee 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 pursuant to conference telephone or other communications equipment shall constitute presence in person at such meeting.

Section 2.6 **Quorum; Vote Required for Action**. At all meetings of the Board a majority of the Whole Board shall constitute a quorum for the transaction of business. If a quorum shall fail to attend any meeting, a majority of those present may adjourn the meeting to another place, date or time without further notice thereof. Except as otherwise provided herein or in the Certificate of Incorporation, or required by law, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board.

Section 2.7 **Organization**. Meetings of the Board shall be presided over by the Chairperson of the Board, or in such person's absence by the President, or in such person's absence by a chairperson chosen at the meeting. The Secretary shall act as secretary of the meeting, but in such person's absence the chairperson of the meeting may appoint any person to act as secretary of the meeting.

Section 2.8 **Written Action by Directors**. Any action required or permitted to be taken at any meeting of the Board, or of any committee thereof, may be taken without a meeting if all members of the Board or such committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board or committee, respectively, in the minute books of the Corporation. 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 2.9 **Powers**. The Board may, except as otherwise required by law or the Certificate of Incorporation, exercise all such powers and manage and direct all such acts and things as may be exercised or done by the Corporation.

Section 2.10 **Compensation of Directors**. Members of the Board, as such, may receive, pursuant to a resolution of the Board, fees and other compensation for their services as directors, including without limitation their services as members of committees of the Board.

ARTICLE III.
COMMITTEES

Section 3.1 **Committees**. The Board may designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board 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. In the absence or disqualification of a member of the committee, the member or members thereof present at any meeting of such committee who are not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board to act at

the meeting in place of any such absent or disqualified member. Any such committee, to the extent provided in a resolution of the Board, shall have and may exercise all the powers and authority of the Board 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 shall have the power or authority in reference to the following matters: (a) approving, adopting, or recommending to the stockholders any action or matter (other than the election or removal of members of the Board) expressly required by the DGCL to be submitted to stockholders for approval or (b) adopting, amending or repealing any bylaw of the Corporation.

Section 3.2 Committee Rules. Unless the Board otherwise provides, each committee designated by the Board may make, alter and repeal rules for the conduct of its business. In the absence of such rules each committee shall conduct its business in the same manner as the Board conducts its business pursuant to Article II of these Bylaws.

ARTICLE IV.
OFFICERS

Section 4.1 Generally. The officers of the Corporation shall consist of a Chief Executive Officer (who may be the Chairperson of the Board or the President), a Secretary and a Treasurer and may consist of such other officers, including a Chief Financial Officer, Chief Technology Officer and one or more Vice Presidents, as may from time to time be appointed by the Board. All officers shall be elected by the Board: *provided*, *however*, that the Board may empower the Chief Executive Officer of the Corporation to appoint any officer other than the Chairperson of the Board, the Chief Executive Officer, the President, the Chief Financial Officer or the Treasurer. Each officer shall hold office until such person's successor is appointed or until such person's earlier resignation, death or removal. Any number of offices may be held by the same person. Any officer may resign at any time upon written notice to the Corporation. Any vacancy occurring in any office of the Corporation by death, resignation, removal or otherwise may be filled by the Board.

Section 4.2 Chief Executive Officer. Subject to the control of the Board and such supervisory powers, if any, as may be given by the Board, the powers and duties of the Chief Executive Officer of the Corporation are:

(a) To act as the general manager and, subject to the control of the Board, to supervision, direction and control of the business and affairs of the Corporation;

(b) Subject to Article I, Section 1.6, to preside at all meetings of the stockholders;

(c) Subject to Article I, Section 1.2, to call special meetings of the stockholders to be held at such times and, subject to the limitations prescribed by law or by these Bylaws, at such places as he or she shall deem proper; and

(d) To affix the signature of the Corporation to all deeds, conveyances, mortgages, guarantees, leases, obligations, bonds, certificates and other papers and

instruments in writing which have been authorized by the Board or which, in the judgment of the Chief Executive Officer, should be executed on behalf of the Corporation; to sign certificates for shares of stock of the Corporation; and, subject to the direction of the Board, to have general charge of the property of the Corporation and to supervise and control all officers, agents and employees of the Corporation.

The President shall be the Chief Executive Officer of the Corporation unless the Board shall designate another officer to be the Chief Executive Officer. If there is no President, and the Board has not designated any other officer to be the Chief Executive Officer, then the Chairperson of the Board shall be the Chief Executive Officer.

Section 4.3 Chairperson of the Board. The Chairperson of the Board shall have the power to preside at all meetings of the Board and shall have such other powers and duties as provided in these Bylaws and as the Board may from time to time prescribe.

Section 4.4 President. The President shall be the Chief Executive Officer of the Corporation unless the Board shall have designated another officer as the Chief Executive Officer of the Corporation. Subject to the provisions of these Bylaws and to the direction of the Board, and subject to the supervisory powers of the Chief Executive Officer (if the Chief Executive Officer is an officer other than the President), and subject to such supervisory powers and authority as may be given by the Board to the Chairperson of the Board, and/or to any other officer, the President shall have the responsibility for the general management and control of the business and affairs of the Corporation and the general supervision and direction of all of the officers, employees and agents of the Corporation (other than the Chief Executive Officer, if the Chief Executive Officer is an officer other than the President) and shall perform all duties and have all powers that are commonly incident to the office of President or that are delegated to the President by the Board.

Section 4.5 Vice President. Each Vice President shall have all such powers and duties as are commonly incident to the office of Vice President, or that are delegated to him or her by the Board or the Chief Executive Officer. A Vice President may be designated by the Board to perform the duties and exercise the powers of the Chief Executive Officer in the event of the Chief Executive Officer's absence or disability.

Section 4.6 Chief Financial Officer. The Chief Financial Officer shall be the Treasurer of the Corporation unless the Board shall have designated another officer as the Treasurer of the Corporation. Subject to the direction of the Board and the Chief Executive Officer, the Chief Financial Officer shall perform all duties and have all powers that are commonly incident to the office of Chief Financial Officer.

Section 4.7 Treasurer. The Treasurer shall have custody of all moneys and securities of the Corporation. The Treasurer shall make such disbursements of the funds of the Corporation as are authorized and shall render from time to time an account of all such transactions. The Treasurer shall also perform such other duties and have such other powers as are commonly incident to the office of Treasurer, or as the Board or the Chief Executive Officer may from time to time prescribe.

Section 4.8 Chief Technology Officer. The Chief Technology Officer shall have responsibility for the general research and development activities of the Corporation, for supervision of the Corporation's research and development personnel, for new product development and product improvements, for overseeing the development and direction of the Corporation's intellectual property development and such other responsibilities as may be given to the Chief Technology Officer by the Board, subject to: (a) the provisions of these Bylaws; (b) the direction of the Board; (c) the supervisory powers of the Chief Executive Officer of the Corporation; and (d) those supervisory powers that may be given by the Board to the Chairperson or Vice Chairperson of the Board.

Section 4.9 Secretary. The Secretary shall issue or cause to be issued all authorized notices for, and shall keep, or cause to be kept, minutes of all meetings of the stockholders and the Board. The Secretary shall have charge of the corporate minute books and similar records and shall perform such other duties and have such other powers as are commonly incident to the office of Secretary, or as the Board or the Chief Executive Officer may from time to time prescribe.

Section 4.10 Delegation of Authority. The Board may from time to time delegate the powers or duties of any officer to any other officers or agents, notwithstanding any provision hereof.

Section 4.11 Removal. Any officer of the Corporation shall serve at the pleasure of the Board and may be removed at any time, with or without cause, by the Board; provided that if the Board has empowered the Chief Executive Officer to appoint any Vice Presidents of the Corporation, then such Vice Presidents may be removed by the Chief Executive Officer. Such removal shall be without prejudice to the contractual rights of such officer, if any, with the Corporation.

ARTICLE V.
STOCK

Section 5.1 Certificates. The shares of capital stock of the Corporation shall be represented by certificates; *provided*, *however*, that the Board may provide by resolution or resolutions that some or all of any or all classes or series of its stock may be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation (or the transfer agent or registrar, as the case may be). Notwithstanding the adoption of such resolution by the Board, every holder of stock that is a certificated security shall be entitled to have a certificate signed by or in the name of the Corporation by the Chairperson or Vice-Chairperson of the Board, or the President or a Vice President, and by the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary, of the Corporation, certifying the number of shares owned by such stockholder in the Corporation. Any or all of the signatures on the certificate may be a facsimile. 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 by the Corporation with the same effect as if such person were an officer, transfer agent or registrar at the date of issue. If any holder of uncertificated

shares elects to receive a certificate, the Corporation (or the transfer agent or registrar, as the case may be) shall, to the extent permitted under applicable law and rules, regulations and listing requirements of any stock exchange or stock market on which the Corporation's shares are listed or traded, cease to provide annual statements indicating such holder's holdings of shares in the Corporation.

Section 5.2 Lost, Stolen or Destroyed Stock Certificates; Issuance of New Certificates. The Corporation may issue a new certificate of stock, or uncertificated shares, in the place of any certificate previously issued by it, 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, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to agree to indemnify the Corporation and/or to give the Corporation a bond sufficient to indemnify it, against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

Section 5.3 Other Regulations. The issue, transfer, conversion and registration of stock certificates and uncertificated securities shall be governed by such other regulations as the Board may establish.

ARTICLE VI.
INDEMNIFICATION

Section 6.1 Indemnification of Officers and Directors. Each person who was or is made a party to, or is threatened to be made a party to, or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "***Proceeding***"), by reason of the fact that such person (or a person of whom such person is the legal representative), is or was a member of the Board or officer of the Corporation or a Reincorporated Predecessor (as defined below) or is or was serving at the request of the Corporation or a Reincorporated Predecessor as a member of the board of directors, officer or trustee of another corporation, or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans (for purposes of this Article VI, an "***Indemnitee***"), shall be indemnified and held harmless by the Corporation to the fullest extent permitted by applicable law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), against all expenses, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes and penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such Indemnitee in connection therewith, provided such Indemnitee acted in good faith and in a manner that the Indemnitee reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or Proceeding, had no reasonable cause to believe the Indemnitee's conduct was unlawful. Such indemnification shall continue as to an Indemnitee who has ceased to be a director or officer and shall inure to the benefit of such Indemnitees' heirs, executors and administrators. Notwithstanding the foregoing, the Corporation shall indemnify any such Indemnitee seeking indemnity in connection with a Proceeding (or part

thereof) initiated by such Indemnitee only if such Proceeding (or part thereof) was authorized by the Board or such indemnification is authorized by an agreement approved by the Board. As used herein, the term the "***Reincorporated Predecessor***" means a corporation that is merged with and into the Corporation in a statutory merger where (a) the Corporation is the surviving corporation of such merger; (b) the primary purpose of such merger is to change the corporate domicile of the Reincorporated Predecessor to Delaware.

Section 6.2 Advance of Expenses. The Corporation shall pay all expenses (including attorneys' fees) incurred by such an Indemnitee in defending any such Proceeding as they are incurred in advance of its final disposition; *provided*, *however*, that (a) if the DGCL then so requires, the payment of such expenses incurred by such an Indemnitee in advance of the final disposition of such Proceeding shall 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 should be determined ultimately by final judicial decision from which there is no appeal that such Indemnitee is not entitled to be indemnified under this Article VI or otherwise; and (b) the Corporation shall not be required to advance any expenses to a person against whom the Corporation directly brings a claim, in a Proceeding, alleging that such person has breached such person's duty of loyalty to the Corporation, committed an act or omission not in good faith or that involves intentional misconduct or a knowing violation of law, or derived an improper personal benefit from a transaction.

Section 6.3 Non-Exclusivity of Rights. The rights conferred on any person in this Article VI shall not be exclusive of any other right that such person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, Bylaw, agreement, vote or consent of stockholders or disinterested directors, or otherwise. Additionally, nothing in this Article VI shall limit the ability of the Corporation, in its discretion, to indemnify or advance expenses to persons whom the Corporation is not obligated to indemnify or advance expenses pursuant to this Article VI.

Section 6.4 Indemnification Contracts. The Board is authorized to cause the Corporation to enter into indemnification contracts with any director, officer, employee or agent of the Corporation, or any person serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including employee benefit plans, providing indemnification or advancement rights to such person. Such rights may be greater than those provided in this Article VI.

Section 6.5 Right of Indemnitee to Bring Suit. The following shall apply to the extent not in conflict with any indemnification contract provided for in Section 6.4 above.

6.5.1 Right to Bring Suit. If a claim under Section 6.1 or 6.2 of this Article VI is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the Corporation, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty (20) days, the Indemnitee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Indemnitee shall be entitled to be paid also

the expense of prosecuting or defending such suit. In (a) any suit brought by the Indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the Indemnitee to enforce a right to an advancement of expenses) it shall be a defense that, and (b) in any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final adjudication that, the Indemnitee has not met any applicable standard for indemnification set forth in applicable law.

6.5.2 Effect of Determination. Neither the failure of the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the Indemnitee is proper in the circumstances because the Indemnitee has met the applicable standard of conduct set forth in applicable law, nor an actual determination by the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel or its stockholders) that the Indemnitee has not met such applicable standard of conduct, shall create a presumption that the Indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the Indemnitee, be a defense to such suit.

6.5.3 Burden of Proof. In any suit brought by the Indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the Indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Article VI, or otherwise, shall be on the Corporation.

Section 6.6 Nature of Rights. The rights conferred upon Indemnitees in this Article VI shall be contract rights and such rights shall continue as to an Indemnitee who has ceased to be a director, officer or trustee and shall inure to the benefit of the Indemnitee's heirs, executors and administrators. Any amendment, repeal or modification of any provision of this Article VI that adversely affects any right of an Indemnitee or an Indemnitee's successors shall be prospective only, and shall not adversely affect any right or protection conferred on a person pursuant to this Article VI and existing at the time of such amendment, repeal or modification.

ARTICLE VII.
NOTICES

Section 7.1 Notice.

7.1.1 Form and Delivery. Except as otherwise specifically required in these Bylaws (including, without limitation, Section 7.1.2 below) or by law, all notices required to be given pursuant to these Bylaws shall be in writing and may, (a) in every instance in connection with any delivery to a member of the Board, be effectively given by hand delivery (including use of a delivery service), by depositing such notice in the mail, postage prepaid, or by sending such notice by prepaid telegram, cablegram, overnight express courier, facsimile, electronic mail or other form of electronic transmission and (b) be effectively be delivered to a stockholder when given by hand delivery, by depositing such notice in the mail, postage prepaid or, if specifically

consented to by the stockholder as described in Section 7.1.2 of this Article VII by sending such notice by telegram, cablegram, facsimile, electronic mail or other form of electronic transmission. Any such notice shall be addressed to the person to whom notice is to be given at such person's address as it appears on the records of the Corporation. The notice shall be deemed given (a) in the case of hand delivery, when received by the person to whom notice is to be given or by any person accepting such notice on behalf of such person, (b) in the case of delivery by mail, upon deposit in the mail, (c) in the case of delivery by overnight express courier, when dispatched, and (d) in the case of delivery via telegram, cablegram, facsimile, electronic mail or other form of electronic transmission, when dispatched.

7.1.2 Electronic Transmission. Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders given by the Corporation under any provision of the DGCL, the Certificate of Incorporation, or these Bylaws shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given in accordance with Section 232 of the DGCL. Any such consent shall be revocable by the stockholder by written notice to the Corporation. Any such consent shall be deemed revoked if (a) the Corporation is unable to deliver by electronic transmission two consecutive notices given by the Corporation in accordance with such consent and (b) such inability becomes known to the Secretary or an Assistant Secretary of the Corporation or to the transfer agent, or other person responsible for the giving of notice; *provided*, *however*, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action. Notice given pursuant to this Section 7.1.2 shall be deemed given: (i) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice; (ii) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice; (iii) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of such posting and the giving of such separate notice; and (iv) if by any other form of electronic transmission, when directed to the stockholder.

7.1.3 Affidavit of Giving Notice. An affidavit of the Secretary or an Assistant Secretary or of the transfer agent or other agent of the Corporation that the notice has been given in writing or by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

Section 7.2 Waiver of Notice. Whenever notice is required to be given under any provision of the DGCL, the Certificate of Incorporation or these Bylaws, a written waiver of notice, signed by the person entitled to notice, or waiver by electronic transmission by such person, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person 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. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors or members of a committee of directors need be specified in any waiver of notice.

ARTICLE VIII.
INTERESTED DIRECTORS

Section 8.1 **Interested Directors**. No contract or transaction between the Corporation and one or more of its members of the Board or officers, or between the Corporation and any other corporation, partnership, association or other organization in which one or more of its directors or officers are members of the board of directors or officers, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the Board or committee thereof that authorizes the contract or transaction, or solely because his, her or their votes are counted for such purpose, if: (a) the material facts as to his, her or their relationship or interest and as to the contract or transaction are disclosed or are known to the Board or the committee, and the Board or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; (b) the material facts as to his, her or their relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (c) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved or ratified by the Board, a committee thereof, or the stockholders.

Section 8.2 **Quorum**. Interested directors may be counted in determining the presence of a quorum at a meeting of the Board or of a committee which authorizes the contract or transaction.

ARTICLE IX.
MISCELLANEOUS

Section 9.1 **Fiscal Year**. The fiscal year of the Corporation shall be determined by resolution of the Board.

Section 9.2 **Seal**. The Board may provide for a corporate seal, which may have the name of the Corporation inscribed thereon and shall otherwise be in such form as may be approved from time to time by the Board.

Section 9.3 **Form of Records**. Any records maintained by the Corporation in the regular course of its business, including its stock ledger, books of account and minute books, may be kept on or by means of, or be in the form of, diskettes, CDs, or any other information storage device or method, provided that the records so kept can be converted into clearly legible paper form within a reasonable time. The Corporation shall so convert any records so kept upon the request of any person entitled to inspect such records pursuant to any provision of the DGCL.

Section 9.4 **Reliance upon Books and Records**. A member of the Board, or a member of any committee designated by the Board shall, in the performance of such person's duties, be fully protected in relying in good faith upon records of the Corporation and upon such information, opinions, reports or statements presented to the Corporation by any of the Corporation's officers or employees, or committees of the Board, or by any other person as to

matters the member reasonably believes are within such other person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Corporation.

Section 9.5 **Certificate of Incorporation Governs**. In the event of any conflict between the provisions of the Certificate of Incorporation and Bylaws, the provisions of the Certificate of Incorporation shall govern.

Section 9.6 **Severability**. If any provision of these Bylaws shall be held to be invalid, illegal, unenforceable or in conflict with the provisions of the Certificate of Incorporation, then such provision shall nonetheless be enforced to the maximum extent possible consistent with such holding and the remaining provisions of these Bylaws (including without limitation, all portions of any section of these Bylaws containing any such provision held to be invalid, illegal, unenforceable or in conflict with the Certificate of Incorporation, that are not themselves invalid, illegal, unenforceable or in conflict with the Certificate of Incorporation) shall remain in full force and effect.

ARTICLE X.
AMENDMENT

Unless otherwise required by the Certificate of Incorporation, stockholders of the Corporation holding at least a majority of the voting power of the Corporation's outstanding voting stock then entitled to vote at an election of directors shall have the power to adopt, amend or repeal Bylaws. To the extent provided in the Certificate of Incorporation, the Board shall also have the power to adopt, amend or repeal Bylaws of the Corporation.

CERTIFICATION OF BYLAWS
OF
CEREBRAS SYSTEMS INC.
a Delaware Corporation

I, Gary Lauderbach, certify that I am Secretary of Cerebras Systems Inc., a Delaware corporation (the "***Corporation***"), that I am duly authorized to make and deliver this certification, that the attached Bylaws are a true and complete copy of the Bylaws of the Corporation in effect as of the date of this certificate.

Dated April 6, 2016

/s/ Gary Lauderbach
Gary Lauderbach, Secretary

CEREBRAS SYSTEMS INC.

AMENDED AND RESTATED INVESTORS' RIGHTS AGREEMENT

This Amended and Restated Investors' Rights Agreement (this "***Agreement***") is made and entered into as of June 25, 2024 by and among Cerebras Systems Inc., a Delaware corporation (the ***"Company"***), and each of the investors listed on Schedule A hereto, each of which is referred to in this Agreement as an ***"Investor,"*** each of the stockholders listed on Schedule B hereto, each of whom is referred to herein as a ***"Key Holder,"*** any Additional Purchaser (as defined in the Purchase Agreement) that becomes a party to this Agreement in accordance with Section 7.14 hereof and any holder of a Lender Warrant that becomes a party to this Agreement in accordance with Section 7.14 hereof.

RECITALS

WHEREAS, the Company and certain of the Investors and Key Holders are parties to that certain Amended and Restated Investors' Rights Agreement dated as of October 18, 2021 (the ***"Prior Agreement"***);

WHEREAS, the Company and certain of the Investors are parties to that certain Series F- 1 Preferred Stock Purchase Agreement dated as of May 30, 2024 by and among the Company and certain of the Investors, as amended from time to time (the ***"Purchase Agreement"***); and

WHEREAS, to induce the Company to enter into the Purchase Agreement and to induce certain of the Investors to invest funds in the Company pursuant to the Purchase Agreement, the Investors and the Company hereby agree to amend and restate the Prior Agreement in its entirety as set forth herein and that this Agreement shall govern the rights of the Investors to cause the Company to register shares of Common Stock issuable to the Investors, to receive certain information from the Company, and to participate in future equity offerings by the Company, and shall govern certain other matters as set forth in this Agreement;

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises hereinafter set forth, the parties hereto hereby agree as follows:

1. DEFINITIONS. For purposes of this Agreement:

"Affiliate" means, with respect to any specified Person, such Person's principal or any other Person who or which, directly or indirectly, controls, is controlled by, or is under common control with such Person or such Person's principal, including, without limitation, any general partner, managing member or partner, officer or director of such Person such Person's principal or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such Person or such

Person's principal (but, for the avoidance of doubt, excluding any portfolio companies under the management of such Persons, principals or venture capital funds). For purposes of this definition, the terms ***"controlling," "controlled by,"*** or ***"under common control with"*** shall mean the possession, directly or indirectly, of (a) the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise, or (b) the power to elect or appoint at least 50% of the directors, managers, general partners, or persons exercising similar authority with respect to such Person. Affiliates in relation to Falcon Q LP, Alpha Wave Ventures II, LP and Alpha Wave Holdings, LP (collectively, "***Falcon Edge***") shall also (x) include all investment funds, persons or accounts under the management of Falcon Edge Capital LP or any of its Affiliates and shall include RMG Holdings, LLC, Mr. Richard Matthew Gerson, Mr. Navroz Darius Udwadia, Blue Wolf Capital Limited and Mr. Ryan Francis Khoury (together, the "***Falcon Edge Related Parties***") and (y) exclude all portfolio companies under the management of Falcon Edge Related Parties.

"Automatic Shelf Registration Statement" shall have the meaning given to that term in SEC Rule 405.

"Budget" shall have the meaning given to that term in Section 2.1.1.

"business day" means a weekday on which banks are open for general banking business in San Francisco, California.

"Code" means the Internal Revenue Code of 1986, as amended.

"Common Stock" means shares of the Company's common stock.

"***Competitor***" means a Person engaged, directly or indirectly (including through any partnership, limited liability company, corporation, joint venture or similar arrangement (whether now existing or formed hereafter)), in the design, production or manufacture and sale of (a) semiconductor chips and wafers, integrated circuit chip sets, systems-on-a-chip, microprocessors, components, devices, units and packaging, and/or (b) computing systems, appliances, and other hardware equipment and/or (c) software (including, but not limited to, source code, object code, algorithms), in each case that is capable of use in accelerated machine learning or artificial intelligence work, as well as the provision of related services; provided no venture capital fund or its Affiliates shall, either now or in the future, be deemed to be a Competitor solely because of such fund's or such fund's Affiliates' investment in a Competitor of the Company; provided further that in no event shall Falcon Edge be deemed to be a Competitor of the Company under this Agreement.

"Damages" means any loss, damage, or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, or liability (or any action in respect thereof) arises out of or is based upon (a) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, and any free-writing prospectus and any issuer information (as defined in Rule 433 of the Securities Act) filed or required to be filed pursuant to Rule 433(d) under the Securities Act or any other document incident to such registration prepared by or on behalf of the Company or used or referred to by the Company; (b) an omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (c) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the

Exchange Act, or any state securities law.

"Demand Notice" means notice sent by the Company to the Holders specifying that a demand registration has been requested as provided in Section 3.1.1.

"Derivative Securities" means any securities or rights convertible into, or exercisable or exchangeable for (in each case, directly or indirectly), Common Stock, including options and warrants.

"Deemed Liquidation Event" has the meaning set forth for such term in the certificate of incorporation of the Company most recently filed with the Delaware Secretary of State that contains such a definition.

"***EPTH***" means Expansion Project Technologies Holding 8 SPV RSC Ltd. and its Affiliates.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"Excluded Registration" means (a) a registration relating to the sale of securities to employees of the Company or a subsidiary pursuant to an equity incentive, stock option, stock purchase, or similar plan; (b) a registration relating to an SEC Rule 145 transaction; (c) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities; or (d) a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered.

"Form S-1" means such form under the Securities Act as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC.

"Form S-3" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC that permits incorporation of substantial information by reference to other documents filed by the Company with the SEC.

"Free Writing Prospectus" means a free-writing prospectus, as defined in Rule 405 under the Securities Act.

"Fully Exercising Investor" shall have the meaning set forth in Section 4.2.

"GAAP" means generally accepted accounting principles in the United States.

"Holder" means any holder of Registrable Securities who is a party to this Agreement.

"Immediate Family Member" means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother- in-law, or sister-in-law, including adoptive relationships, of a natural person referred to herein.

"Initiating Holders" means, collectively, Holders who properly initiate a registration request under this Agreement.

"Investor Notice" shall have the meaning set forth in Section 4.2.

"IPO" means the Company's first underwritten public offering of its Common Stock under the Securities Act.

"Key Holder Registrable Securities" means (a) the shares of Common Stock held by the Key Holders, and (b) any Common Stock issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of such shares.

"Lender Registrable Securities" means (a) the Common Stock issuable or issued upon the exercise of any Lender Warrant and (b) the Common Stock issuable or issued upon conversion of the Preferred Stock issuable or issued pursuant to the exercise of any Lender Warrant; provided, however, that before the holder of any Lender Warrant shall be entitled to exercise any rights under this Agreement, such holder must either (i) become a party to this Agreement as a "Lender" or (ii) agree to be bound by the terms of this Agreement related to registration rights applicable to the Lender Registrable Securities in a separate written agreement between such holder and the Company (including, without limitation, in a Lender Warrant).

"Lender Warrant" means any warrant to purchase shares of capital stock of the Company issued to banks, equipment lessors or other financial institutions pursuant to a debt financing or equipment leasing transaction where the Company's Board of Directors (the ***"Board"***), including at least one of the Preferred Directors (as such term is defined in the Restated Certificate), has approved the grant to the holder thereof of "piggyback" registration rights.

"Major Investor" means any Investor that, individually or together with such Investor's Affiliates, holds at least 2,794,108 shares of Registrable Securities (as adjusted for any stock split, stock dividend, combination, or other recapitalization or reclassification effected after the date hereof).

"***MOZN***" means MOZN Holding RSC Limited together with any of its Affiliates.

"New Securities" means, collectively, equity securities of the Company, whether or not currently authorized, Derivative Securities and any rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for (in each case, directly or indirectly) such equity securities; provided however, that "New Securities" shall exclude: (a) Exempted Securities (as defined in the Restated Certificate); and (b) shares of Series F-1 Preferred Stock.

"Offer Notice" shall have the meaning set forth in Section 4.1.

"Person" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

"***Preferred Directors***" shall have the meaning set forth for such term in the certificate of incorporation of the Company most recently filed with the Delaware Secretary of State that contains such a definition.

"Preferred Stock" means, collectively, the Series A Preferred Stock, the Series B Preferred Stock, the Series C Preferred Stock, the Series D Preferred Stock, the Series E Preferred Stock, the Series F Preferred Stock, and the Series F-1 Preferred Stock.

"Pro Rata Amount" means, for each Major Investor, that portion of the New Securities identified in an Offer Notice which equals the proportion that the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Preferred Stock and any other Derivative Securities then held, by such Major Investor bears to the total Common Stock of the Company then outstanding (assuming full conversion and/or exercise, as applicable, of all Preferred Stock and other Derivative Securities).

"Registrable Securities" means (a) the Common Stock issuable or issued upon conversion of shares of the Preferred Stock held by the Investors; (b) the Key Holder Registrable Securities, provided, however, that such Key Holder Registrable Securities shall not be deemed Registrable Securities and the Key Holders shall not be deemed Holders for the purposes of Sections 2.1, 2.2, 3.1, 3.10, 4 and 7.6; (c) the Lender Registrable Securities, provided, however, that such Lender Registrable Securities shall not be deemed Registrable Securities and the Lenders shall not be deemed Holders for the purposes of Sections 2.1, 2.2, 3.1, 3.10, 4 and 7.6; and (d) any Common Stock of the Company currently held by the Investors or acquired by the Investors; excluding in all cases, however, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Section 7.1, and excluding for purposes of Section 3 any shares for which registration rights have terminated pursuant to Section 6.2 of this Agreement. Notwithstanding the foregoing, the Company shall in no event be obligated to register any Preferred Stock of the Company, and Holders of Registrable Securities will not be required to convert their Preferred Stock into Common Stock in order to exercise the registration rights granted hereunder, until immediately before the closing of the offering to which the registration relates.

"Registrable Securities then outstanding" means the number of shares determined by adding the number of shares of outstanding Common Stock that are Registrable Securities and the number of shares of Common Stock issuable (directly or indirectly) pursuant to then exercisable and/or convertible securities that are Registrable Securities.

"Restated Certificate" means the Company's Amended and Restated Certificate of Incorporation (as may be amended from time to time).

"Restricted Securities" means the securities of the Company required to bear the legend set forth in Section 3.12.2 hereof.

"SEC" means the Securities and Exchange Commission.

"SEC Rule 144" means Rule 144 promulgated by the SEC under the Securities Act.

"SEC Rule 145" means Rule 145 promulgated by the SEC under the Securities Act.

"SEC Rule 405" means Rule 405 promulgated by the SEC under the Securities Act.

"Securities Act" means the Securities Act of 1933, as amended, and the rules and

regulations promulgated thereunder.

"Selling Expenses" means all underwriting discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder, except for the fees and disbursements of the Selling Holder Counsel borne and paid by the Company as provided in Section 3.6.

"Selling Holder Counsel" means one counsel for the selling Holders.

"Series A Preferred Stock" means shares of the Company's Series A Preferred Stock, par value $0.00001 per share.

"Series B Preferred Stock" means shares of the Company's Series B Preferred Stock, par value $0.00001 per share.

"Series C Preferred Stock" means shares of the Company's Series C Preferred Stock, par value $0.00001 per share.

"Series D Preferred Stock" means shares of the Company's Series D Preferred Stock, par value $0.00001 per share.

"Series E Preferred Stock" means shares of the Company's Series E Preferred Stock, par value $0.00001 per share.

"Series F Preferred Stock" means shares of the Company's Series F Preferred Stock, par value $0.00001 per share.

"Series F-1 Preferred Stock" means shares of the Company's Series F-1 Preferred Stock, par value $0.00001 per share.

"Standoff Period" means the period commencing on the date of the final prospectus relating to the IPO of the Company's Common Stock and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days).

"Stock Sale" means a sale by the Company's stockholders, in one transaction or series of related transactions, of equity securities that represent, immediately prior to such transaction or transactions, a majority by voting power of the equity securities of the Company pursuant to an agreement approved by the Board and entered into by the Company.

"Voting Agreement" means that certain Amended and Restated Voting Agreement dated of even date hereof by and among the Company and the Investors.

2. INFORMATION RIGHTS.

2.1 Delivery of Financial Statements.

2.1.1 Information to be Delivered. The Company shall deliver the following to each Major Investor, *provided* that the Board has not reasonably determined that such Major Investor is a Competitor:

(a) As soon as practicable, but in any event within fifteen (15) days of being made available to the Company after the end of each fiscal year of the Company, but in any event within 180 days after the end of such fiscal year, (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and (iii) a statement of stockholders' equity as of the end of such year, all of which shall be audited and certified by independent public accountants of nationally recognized standing selected by the Company, unless otherwise approved by the Board (including at least one Preferred Director).

(b) As soon as practicable, but in any event within forty-five (45) days after the end of each of the first three (3) quarters of each fiscal year of the Company, unaudited statements of income and of cash flows for such fiscal quarter, and an unaudited balance sheet and a statement of stockholders' equity as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year- end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP).

(c) As soon as practicable, but in any event within thirty (30) days of the end of each month, an unaudited income statement and statement of cash flows for such month, and an unaudited balance sheet and statement of stockholders' equity as of the end of such month, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP).

(d) As soon as practicable, but in any event within thirty (30) days before the end of each fiscal year, a budget and business plan for the next fiscal year, approved by the Board and prepared on a monthly basis, including balance sheets, income statements, and statements of cash flow for such months (the "***Budget***") and, promptly after prepared, any other budgets or revised budgets prepared by the Company.

(e) Consolidation. If, for any period, the Company has any subsidiary whose accounts are consolidated with those of the Company, then in respect of such period the financial statements delivered pursuant to Section 2.1.1 shall be the consolidated and consolidating financial statements of the Company and all such consolidated subsidiaries.

2.1.2 Suspension or Termination. Notwithstanding anything else in this Section 2.1 to the contrary but subject to Section 6.1, the Company may cease providing the information set forth in this Section 2.1 during the period starting with the date sixty (60) days before the Company's good-faith estimate of the date of filing of a registration statement if it reasonably concludes it must do so to comply with the SEC rules applicable to such registration statement and related offering; *provided* that the Company's covenants under this Section 2.1 shall be reinstated at such time as the Company is no longer actively employing its reasonable efforts to cause such registration statement to become effective.

2.2 Inspection. The Company shall permit each Major Investor, at such Major Investor's expense, and on such Major Investor's written request, to visit and inspect the Company's properties; examine its books of account and records; and discuss the Company's affairs, finances, and accounts with its officers, during normal business hours of the Company as may be reasonably requested by the Major Investor; *provided*, *however*, that the Company shall not be obligated pursuant to this Section 2.2 to provide access to any information that it reasonably and in good faith considers to be confidential information (unless covered by an enforceable confidentiality agreement, in form reasonably acceptable to the Company), a trade secret or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

2.3 Confidentiality. Each Investor agrees that such Investor will keep confidential and will not disclose, divulge, or use for any purpose (other than to monitor its investment in the Company) any confidential information obtained from the Company pursuant to the terms of this Section 2 unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Section 2.3 by such Investor), (b) is or has been independently developed or conceived by the Investor without use of the Company's confidential information, or (c) is or has been made known or disclosed to the Investor by a third party without a breach of any obligation of confidentiality such third party may have to the Company; *provided*, *however*, that an Investor may disclose confidential information (i) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company; (ii) to any existing Affiliate, partner, member, stockholder, or wholly owned subsidiary of such Investor in the ordinary course of business, but only if such Investor informs such Person that such information is confidential and directs such Person to maintain the confidentiality of such information; or (iii) as may otherwise be required by law if the Investor promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure.

3. REGISTRATION RIGHTS.

3.1 Demand Registration.

3.1.1 Form S-1 Demand. If at any time after the earlier of (a) five (5) years after the date of this Agreement or (b) one hundred eighty (180) days after the effective date of the registration statement for the IPO, the Company receives a request from Holders of a majority of the Registrable Securities then outstanding that the Company file a Form S-1 registration statement with respect to any Registrable Securities then outstanding (and the Registrable Securities subject to such request have an anticipated aggregate offering price, net of Selling Expenses, of at least $25,000,000), then the Company shall (i) within ten (10) days after the date such request is given, give a Demand Notice to all Holders other than the Initiating Holders; and (ii) use commercially reasonable efforts to as soon as practicable, and in any event within ninety (90) days after the date such request is given by the Initiating Holders, file a Form S-1 registration statement under the Securities Act covering all Registrable Securities that the Initiating Holders requested to be registered and any additional Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days after the date the Demand Notice is given, and in each case, subject to the limitations of Section 3.1.3 and Section 3.3.

3.1.2 Form S-3 Demand. If at any time when it is eligible to use a Form S-3 registration statement, the Company receives a request from Holders of a majority of the Registrable Securities then outstanding that the Company file a Form S-3 registration statement with respect to outstanding Registrable Securities of such Holders having an anticipated aggregate offering price, net of Selling Expenses, of at least $5,000,000, then the Company shall (a) within ten (10) days after the date such request is given, give a Demand Notice to all Holders other than the Initiating Holders; and (b) use commercially reasonable efforts to as soon as practicable, and in any event within forty-five (45) days after the date such request is given by the Initiating Holders, file a Form S-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Section 3.1.3 and Section 3.3.

3.1.3 Delay. Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Section 3.1 a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the Board it would be materially detrimental to the Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (a) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (b) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (c) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing, and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly, for a period of not more than ninety (90) days after the request of the Initiating Holders is given; *provided*, *however*, that (i) the Company may not invoke this right more than once in any twelve (12) month period and (ii) the Company shall not register any securities for its own account or that of any other stockholder during such ninety (90) day period other than an Excluded Registration.

3.1.4 Limitations. The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 3.1.1: (a) during the period that is sixty (60) days before the Company's good faith estimate of the date of filing of, and ending on a date that is one hundred eighty (180) days after the effective date of, a Company-initiated registration, provided, that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; (b) after the Company has effected two (2) registrations pursuant to Section 3.1.1; or (c) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Section 3.1.2. The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Section 3.1.2: (i) during the period that is thirty (30) days before the Company's good faith estimate of the date of filing of, and ending on a date that is ninety (90) days after the effective date of, a Company-initiated registration, provided, that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (ii) if the Company has effected two (2) registrations pursuant to Section 3.1.2 within the twelve (12) month period immediately preceding the date of such request. A registration shall not be counted as "effected" for purposes of this Section 3.1.4 until such time as the applicable registration statement has been declared effective by the SEC,

unless the Initiating Holders withdraw their request for such registration, elect not to pay the registration expenses therefor, and forfeit their right to one registration on Form S-1 or S-3, as applicable, pursuant to Section 3.6, in which case such withdrawn registration statement shall be counted as "effected" for purposes of this Section 3.1.4.

3.2 Company Registration. If the Company proposes to register (including, for this purpose, a registration effected by the Company for stockholders other than the Holders) any of its Common Stock under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration), the Company shall, at such time, promptly give each Holder notice of such registration. Upon the request of each Holder given within twenty (20) days after such notice is given by the Company, the Company shall, subject to the provisions of Section 3.3, cause to be registered all of the Registrable Securities that each such Holder has requested to be included in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Section 3.2 before the effective date of such registration, whether or not any Holder has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by the Company in accordance with Section 3.6.

3.3 Underwriting Requirements.

3.3.1 Inclusion. If, pursuant to Section 3.1, the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Section 3.1, and the Company shall include such information in the Demand Notice. The underwriter(s) will be selected by the Company, subject only to the reasonable approval of the holders of a majority of Registrable Securities held by the Initiating Holders. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in Section 3.4(e)) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting. Notwithstanding any other provision of this Section 3.3, if the managing underwriter(s) advise(s) the Initiating Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be allocated among such Holders of Registrable Securities, including the Initiating Holders, in proportion (as nearly as practicable) to the number of Registrable Securities owned or held by each Holder or in such other proportion as shall mutually be agreed to by all such selling Holders; *provided*, *however*, that the number of Registrable Securities owned or held by the Holders to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares.

3.3.2 Underwriter Cutback. In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Section 3.2, the Company shall not be required to include any of the Holders' Registrable Securities in such underwriting unless

the Holders accept the terms of the underwriting as agreed upon between the Company and its underwriters. If the total number of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the number of securities to be sold (other than by the Company) that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters and the Company in their sole discretion determine will not jeopardize the success of the offering. If the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering shall be allocated among the selling Holders in proportion (as nearly as practicable to) the number of Registrable Securities owned or held by each selling Holder or in such other proportions as shall mutually be agreed to by all such selling Holders. To facilitate the allocation of shares in accordance with the above provisions, the Company or the underwriters may round the number of shares allocated to any Holder to the nearest one hundred (100) shares. Notwithstanding the foregoing, in no event shall (a) the number of Registrable Securities included in the offering be reduced unless all other securities (other than securities to be sold by the Company) are first entirely excluded from the offering, (b) the number of Registrable Securities included in the offering be reduced below 30% of the total number of securities included in such offering, unless such offering is the IPO, in which case the selling Holders may be excluded further if the underwriters make the determination described above and no other stockholder's securities are included in such offering or (c) notwithstanding clause (b) above, any Registrable Securities which are not Key Holder Registrable Securities be excluded from such underwriting unless all Key Holder Registrable Securities are first excluded from such offering For purposes of the provision in this Section 3.3.2 concerning apportionment, for any selling Holder that is a partnership, limited liability company, or corporation, the partners, members, retired partners, retired members, stockholders, and Affiliates of such Holder, or the estates and Immediate Family Members of any such partners, retired partners, members, and retired members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "selling Holder," and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate number of Registrable Securities owned or held by all Persons included in such "selling Holder," as defined in this sentence.

3.3.3 Registration Not Effected. For purposes of Section 3.1, a registration shall not be counted as "effected" if, as a result of an exercise of the underwriter's cutback provisions in Section 3.3.1, fewer than fifty percent (50%) of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

3.4 Obligations of the Company. Whenever required under this Section 3 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such registration statement to become effective as promptly as practicable, and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred twenty (120) days or, if earlier, until the

distribution contemplated in the registration statement has been completed; *provided*, *however*, that (i) such 120-day period shall be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Common Stock (or other securities) of the Company, from selling any securities included in such registration, and (ii) in the case of any registration of Registrable Securities on Form S-3 that are intended to be offered on a continuous or delayed basis, subject to compliance with applicable SEC rules, such 120-day period shall be extended for up to sixty (60) days, if necessary, to keep the registration statement effective until all such Registrable Securities are sold;

(b) prepare and file with the SEC such amendments and supplements to such registration statement, the prospectus and, if required, any Free Writing Prospectus used in connection with such registration statement as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus and any Free Writing Prospectus, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or blue- sky laws of such jurisdictions as shall be reasonably requested by the selling Holders; *provided* that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by the selling Holders, any managing underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the

accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus or Free-Writing Prospectus forming a part of such registration statement has been filed;

(j) after such registration statement becomes effective, notify each selling Holder of any request by the SEC that the Company amend or supplement such registration statement or prospectus or Free-Writing Prospectus;

(k) use its commercially reasonable efforts to obtain for the underwriters one or more "cold comfort" letters, dated the effective date of the related registration statement (and, if such registration includes an underwritten public offering, dated the date of the closing under the underwriting agreement), signed by the Company's independent public accountants in customary form and covering such matters of the type customarily covered by "cold comfort" letters;

(l) use its commercially reasonable efforts to obtain for the underwriters on the date such securities are delivered to the underwriters for sale pursuant to such registration a legal opinion of the Company's outside counsel with respect to the registration statement, each amendment and supplement thereto, the prospectus included therein (including the preliminary prospectus) and such other documents relating thereto in customary form and covering such matters of the type customarily covered by legal opinions of such nature;

(m) to the extent the Company is a well-known seasoned issuer (as defined in SEC Rule 405 at the time any request for registration is submitted to the Company in accordance with Section 3.1, if so requested, file an Automatic Shelf Registration Statement to effect such registration; and

(n) if at any time when the Company is required to re-evaluate its well-known seasoned issuer status for purposes of an outstanding Automatic Shelf Registration Statement used to effect a request for registration in accordance with Section 3.1.2 the Company determines that it is not a well-known seasoned issuer and (i) the registration statement is required to be kept effective in accordance with this Agreement and (ii) the registration rights of the applicable Holders have not terminated, use commercially reasonable efforts to promptly amend the registration statement on a form the Company is then eligible to use or file a new registration statement on such form, and keep such registration statement effective in accordance with the requirements otherwise applicable under this Agreement.

3.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 3 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities.

3.6 Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to Section 3, including all registration, filing, and qualification fees; printers' and accounting fees; fees and disbursements of counsel for the Company; and the reasonable fees and disbursements of one Selling Holder Counsel, not to exceed $30,000, shall be borne and paid by the Company; *provided*, *however*, that (a) the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Section 3.1 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one registration pursuant to Section 3.1.1 or Section 3.1.2, as the case may be, and (b) if, at the time of such withdrawal, the Holders shall have learned of a material adverse change in the condition, business, or prospects of the Company not known to the Holders at the time of their request and have withdrawn the request with reasonable promptness after learning of such information, then the Holders shall not be required to pay any of such expenses and shall not forfeit their right to one registration pursuant to Section 3.1.1 or Section 3.1.2. All Selling Expenses relating to Registrable Securities registered pursuant to this Section 3 shall be borne and paid by the Holders pro rata on the basis of the number of Registrable Securities registered on their behalf.

3.7 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 3.

3.8 Indemnification. If any Registrable Securities are included in a registration statement under this Section 3:

3.8.1 Company Indemnification. To the extent permitted by law, the Company will indemnify and hold harmless each selling Holder, and the partners, members, officers, directors, and stockholders of each such Holder; legal counsel and accountants for each such Holder; any underwriter (as defined in the Securities Act) for each such Holder; and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages, and the Company will pay to each such Holder, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; *provided*, *however*, that the indemnity agreement contained in this Section 3.8.1 shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, conditioned, or delayed nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration.

3.8.2 Selling Holder Indemnification. To the extent permitted by law, each selling Holder, severally and not jointly, will indemnify and hold harmless the Company, and

each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), any other Holder selling securities in such registration statement, and any controlling Person of any such underwriter or other Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such selling Holder expressly for use in connection with such registration; and each such selling Holder will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; *provided*, *however*, that (a) the indemnity agreement contained in this Section 3.8.2 shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld, conditioned or delayed, and (b) that in no event shall the aggregate amounts payable by any Holder by way of indemnity or contribution under Sections 3.8.2 and 3.8.4 exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

3.8.3 Procedures. Promptly after receipt by an indemnified party under this Section 3.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Section 3.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; *provided*, *however*, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action. The failure to give notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of any liability to the indemnified party under this Section 3.8, solely to the extent that such failure prejudices the indemnifying party's ability to defend such action.

3.8.4 Contribution. To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either (a) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Section 3.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Section 3.8 provides for indemnification in such case, or (b) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Section 3.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and

the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; *provided*, *however*, that:

(i) in any such case, (A) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (B) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and

(ii) in no event shall a Holder's liability pursuant to this Section 3.8.4, when combined with the amounts paid or payable by such Holder pursuant to Section 3.8.2, exceed the proceeds from the offering received by such Holder (net of any Selling Expenses) paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

3.8.5 Underwriting Agreement Controls. Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

3.8.6 Survival. Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders under this Section 3.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 3, and otherwise shall survive the termination of this Agreement.

3.9 Reports under the Exchange Act. With a view to making available to the Holders the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company shall:

(a) use commercially reasonable efforts to make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the registration statement filed by the Company for the IPO;

(b) use commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after the Company has become subject to such reporting requirements); and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) to the extent accurate, a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the registration statement filed by the Company for the IPO), the Securities Act, and the Exchange Act (at any time after the Company has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after the Company so qualifies); and (ii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form S-3 (at any time after the Company so qualifies to use such form).

3.10 Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company shall not, without the prior written consent of the Holders of at least 65% of the Registrable Securities then outstanding, enter into any agreement with any holder or prospective holder of any securities of the Company that would allow such holder or prospective holder to include such securities in any registration if such agreement (a) would allow such holder or prospective holder to include a portion of its securities in any "piggyback" registration if such inclusion could reduce the number of Registrable Securities that selling Holders could be entitled to include in such registration under Sections 3.2 and 3.3.2 hereof or (b) would allow such holder or prospective holder to initiate a demand for registration of any of its securities at a time earlier than the Holders of Registrable Securities can demand registration under Section 3.1 hereof. This Section 3.10 shall not apply with respect to the grant of "piggyback" registration rights to a holder of a Lender Warrant.

3.11 "Market Stand-off" Agreement. Each Holder hereby agrees that, during the Standoff Period, such Holder will not, without the prior written consent of the Company or the managing underwriter,

(a) lend, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right, or warrant to purchase or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock, or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock, held immediately before the effective date of the registration statement for such offering; or

(b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (a) or (b) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise.

The foregoing provisions of this Section 3.11 shall apply only to the IPO and shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, and shall be applicable to the Holders only if all officers, directors, and stockholders individually owning more than one percent (1%) of the Company's outstanding Common Stock (after giving effect to conversion into Common Stock of all outstanding Preferred Stock) are similarly bound. For purposes of this Section 3.11, the term "Company" shall include any wholly-owned subsidiary of the Company

into which the Company merges or consolidates. In order to enforce the foregoing covenant, the Company shall have the right to place restrictive legends on the certificates representing the shares subject to this Section 3.11 and to impose stop transfer instructions with respect to such shares until the end of such period. The underwriters in connection with such registration are intended third-party beneficiaries of this Section 3.11 and shall have the right, power, and authority to enforce the provisions hereof as though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with such registration that are consistent with this Section 3.11 or that are necessary to give further effect thereto.

3.12 Restrictions on Transfer.

3.12.1 Agreement Binding. The Preferred Stock and the Registrable Securities shall not be sold, pledged, or otherwise transferred, and the Company shall not recognize and shall issue stop-transfer instructions to its transfer agent with respect to any such sale, pledge, or transfer, except upon the conditions specified in this Agreement, which conditions are intended to ensure compliance with the provisions of the Securities Act. A transferring Holder will cause any proposed purchaser, pledgee, or transferee of the Preferred Stock and the Registrable Securities held by such Holder to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Agreement.

3.12.2 Legends. Each certificate or instrument representing (a) the Preferred Stock, (b) the Registrable Securities, and (c) any other securities issued in respect of the securities referenced in clauses (a) and (b), upon any stock split, stock dividend, recapitalization, merger, consolidation, or similar event, shall (unless otherwise permitted by the provisions of Section 3.12.3) be stamped or otherwise imprinted with a legend substantially in the following form:

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO TRANSFER MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933, AS AMENDED.

THE SHARES REPRESENTED BY THIS CERTIFICATE MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO A MARKET STAND-OFF RESTRICTION AS SET FORTH IN AN AGREEMENT BETWEEN THE COMPANY AND THE ORIGINAL HOLDER OF THESE

SHARES, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

The Holders consent to the Company making a notation in its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer set forth in this Section 3.12.

3.12.3 Procedure. The holder of each certificate representing Restricted Securities, by acceptance thereof, agrees to comply in all respects with the provisions of this Section 3. Before any proposed sale, pledge, or transfer of any Restricted Securities, unless there is in effect a registration statement under the Securities Act covering the proposed transaction, the Holder thereof shall give notice to the Company of such Holder's intention to effect such sale, pledge, or transfer. Each such notice shall describe the manner and circumstances of the proposed sale, pledge, or transfer in sufficient detail and, if reasonably requested by the Company, shall be accompanied at such Holder's expense by either (a) a written opinion of legal counsel who shall, and whose legal opinion shall, be reasonably satisfactory to the Company, addressed to the Company, to the effect that the proposed transaction may be effected without registration under the Securities Act; (b) a "no action" letter from the SEC to the effect that the proposed sale, pledge, or transfer of such Restricted Securities without registration will not result in a recommendation by the staff of the SEC that action be taken with respect thereto; or (c) any other evidence reasonably satisfactory to counsel to the Company to the effect that the proposed sale, pledge, or transfer of the Restricted Securities may be effected without registration under the Securities Act, whereupon the Holder of such Restricted Securities shall be entitled to sell, pledge, or transfer such Restricted Securities in accordance with the terms of the notice given by the Holder to the Company. The Company will not require such a legal opinion or "no action" letter (i) in any transaction in compliance with SEC Rule 144 or (ii) in any transaction in which such Holder distributes Restricted Securities to an Affiliate of such Holder for no or nominal consideration; provided that each transferee agrees in writing to be subject to the terms of this Section 3.12. Each certificate or instrument evidencing the Restricted Securities transferred as above provided shall bear, except if such transfer is made pursuant to SEC Rule 144, the appropriate restrictive legend set forth in Section 3.12.2, except that such certificate shall not bear such restrictive legend if, in the opinion of counsel for such Holder and the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act. Until the IPO, no Holder shall transfer any Restricted Securities to any person or entity that is determined to be a Competitor, in the good faith judgment of the Board.

4. RIGHTS TO FUTURE STOCK ISSUANCES. Subject to the terms and conditions of this Section 4 and applicable securities laws, if the Company proposes to sell any New Securities, the Company shall offer to sell a portion of New Securities to each Major Investor as described in this Section 4. A Major Investor shall be entitled to apportion the right of first refusal hereby granted to it among itself and its Affiliates in such proportions as it deems appropriate. The right of first refusal in this Section 4 shall not be applicable with respect to any Major Investor, if at the time of such subsequent securities issuance, the Major Investor is not an "accredited investor," as that term is then defined in Rule 501(a) under the Securities Act.

4.1 Company Notice. The Company shall give notice (the "***Offer Notice***") to each Major Investor, stating (a) its bona fide intention to sell such New Securities, (b) the number

of such New Securities to be sold and (c) the price and terms, if any, upon which it proposes to sell such New Securities.

4.2 Investor Right. By written notice (the "***Investor Notice***") to the Company within twenty (20) days after the Offer Notice is given, each Major Investor may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to such Major Investor's Pro Rata Amount. In addition, at the expiration of such twenty (20) day period, each Major Investor that elects to purchase or acquire all of its Pro Rata Amount (each, a "***Fully Exercising Investor***") may, in the Investor Notice, elect to purchase or acquire, in addition to its Pro Rata Amount, a portion of the New Securities, if any, for which other Major Investors were entitled to subscribe but that are not subscribed for by such Major Investors. The amount of such overallotment that each Fully Exercising Investor shall be entitled to purchase is equal to the proportion that the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of Preferred Stock and any other Derivative Securities then held, by such Fully Exercising Investor bears to the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Preferred Stock and any other Derivative Securities then held, by all Fully Exercising Investors who wish to purchase such unsubscribed shares. A Major Investor's election may be conditioned on the consummation of the transaction described in the Offer Notice. The closing of any sale pursuant to this Section 4.2 shall occur on the earlier of one hundred and twenty (120) days after the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Section 4.3.

4.3 Sale of Securities. If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Section 4.2, the Company may, during the ninety (90) day period following the expiration of the periods provided in Section 4.2, offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Major Investors in accordance with this Section 4.

5. ADDITIONAL COVENANTS.

5.1 Insurance. The Company shall use its commercially reasonable efforts to promptly obtain Directors and Officers liability insurance from a financially sound and reputable insurer in such amount and on such terms as determined by the Board, including at least one Preferred Director, and will use commercially reasonable efforts to cause such insurance policies to be maintained until such time as the Board determines that such insurance should be discontinued.

5.2 Employee Agreements. The Company will cause each person now or hereafter employed or engaged by it or by any subsidiary (or engaged by the Company or any subsidiary as a consultant/independent contractor) with access to confidential information and/or trade secrets, or performing services that consist of the development of technology, to enter into a customary nondisclosure and proprietary rights assignment agreement or an employment or consulting agreement containing substantially similar terms.

5.3 Employee Vesting. Unless otherwise approved by the Board, all employees and consultants of the Company or its subsidiaries who purchase, receive options to purchase, or receive awards of shares of the Company's capital stock after the date hereof shall be required to execute restricted stock or option agreements, as applicable, providing for vesting of shares over a four (4) year period, with the first twenty-five percent (25%) of such shares vesting following twelve (12) months of continued employment or service (or the date of grant in the case of a grant to an existing employee or consultant), and the remaining shares vesting in equal monthly installments over the following thirty-six (36) months. For the avoidance of doubt, no employees and consultants of the Company or its subsidiaries who purchase, receive options to purchase, or receive awards of shares of the Company's capital stock after the date hereof shall include provisions for the acceleration of vesting upon the occurrence of any event without the approval of the Board, including at least one of the Preferred Directors.

5.4 Board Matters. The Company shall reimburse the nonemployee directors for all reasonable out-of-pocket travel expenses incurred (consistent with the Company's travel policy) in connection with attending meetings of the Board that are held outside of the San Francisco Bay Area.

5.5 Right to Conduct Activities. The Company hereby agrees and acknowledges that Altimeter Growth Partners Fund IV, L.P. ("***Altimeter***") (together with its Affiliates), Eclipse SPV II, L.P. ("***Eclipse***") (together with its Affiliates), Foundation Capital VIII, L.P. ("***Foundation***") (together with its Affiliates), Moore Strategic Ventures, LLC ("***Moore***") (together with its Affiliates), Benchmark Capital Partners VIII, L.P. ("***Benchmark***") (together with its Affiliates), Coatue CT 61 LLC ("***Coatue***") (together with its Affiliates), Falcon Edge (together with its Affiliates), MOZN (together with its Affiliates) and EPTH (together with its Affiliates) each are professional investment organizations, and as such review the business plans and related proprietary information of many enterprises, some of which may compete directly or indirectly with the Company's business (as currently conducted or as currently propose to be conducted). The Company hereby agrees that, to the extent permitted under applicable law, Altimeter (and its Affiliates), Eclipse (and its Affiliates), Foundation (and its Affiliates), Moore (and its Affiliates), Benchmark (and its Affiliates), Coatue (and its Affiliates), Falcon Edge (and its Affiliates), MOZN (and its Affiliates) and EPTH (together with its Affiliates) shall not be liable to the Company for any claim arising out of, or based upon, (i) the investment by Altimeter (or its Affiliates), Eclipse (and its Affiliates), Foundation (and its Affiliates), Foundation (and its Affiliates), Moore (and its Affiliates), Benchmark (and its Affiliates), Coatue (and its Affiliates), Falcon Edge (and its Affiliates), MOZN (and its Affiliates) and EPTH (together with its Affiliates) in any entity competitive with the Company, or (ii) actions taken by any partner, officer, employee or other representative of Altimeter (or its Affiliates), Eclipse (and its Affiliates), Foundation (and its Affiliates), Foundation (and its Affiliates), Moore (and its Affiliates), Benchmark (and its Affiliates), Coatue (and its Affiliates), Falcon Edge (and its Affiliates), MOZN (and its Affiliates) and EPTH (together with its Affiliates) to assist any such competitive company, whether or not such action was taken as a member of the board of directors of such competitive company or otherwise, and whether or not such action has a detrimental effect on the Company; provided, however, that the foregoing shall not relieve (x) Altimeter, Eclipse, Foundation, Moore, Benchmark, Coatue, Falcon Edge, MOZN and EPTH (together with its Affiliates) from liability associated with the unauthorized disclosure of the Company's confidential information, or (y) any

director or officer of the Company from any liability associated with his or her fiduciary duties to the Company.

5.6 Foreign Corrupt Practices Act. The Company represents that it shall not, and shall not permit any of its subsidiaries or any of its or their respective directors, officers, managers, employees, independent contractors, representatives or agents to, promise, authorize or make any payment to, or otherwise contribute any item of value, directly or indirectly, to any third party, including any Non-U.S. Official, in each case, in violation of the Foreign Corrupt Practices Act (the "***FCPA***"), the U.K. Bribery Act, or any other applicable antibribery or anti-corruption law. The Company further represents that it shall, and shall cause each of its subsidiaries to, cease all of its or their respective activities, as well as remediate any actions taken by the Company, its subsidiaries or Affiliates, or any of their respective directors, officers, managers, employees, independent contractors, representatives or agents in violation of the FCPA, the U.K. Bribery Act, or any other applicable anti-bribery or anti-corruption law. The Company further represents that it shall, and shall cause each of its subsidiaries to, maintain systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with the FCPA, the U.K. Bribery Act, or any other applicable anti-bribery or anti- corruption law.

6. TERMINATION.

6.1 Generally. The covenants set forth in Section 2.1, Section 2.2, Section 4 and Section 5 shall terminate and be of no further force or effect upon the earliest to occur of: (a) immediately before the consummation of the IPO; (b) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act; or (c) upon a Deemed Liquidation Event or a Stock Sale.

6.2 Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Section 3.1 or Section 3.2 shall terminate upon the earliest to occur of: (a) when all of such Holder's Registrable Securities could be sold without any restriction on volume or manner of sale in any three-month period under SEC Rule 144 or any successor; (b) upon a Deemed Liquidation Event or a Stock Sale; and (c) the fifth (5th) anniversary of the IPO.

7. GENERAL PROVISIONS.

7.1 Successors and Assigns. The rights under this Agreement may be assigned (but only with all related obligations) by a Holder to a transferee of Registrable Securities that (a) is an Affiliate, partner, member, limited partner, retired or former partner, retired or former member, or stockholder of a Holder or such Holder's Affiliate; (b) is a Holder's Immediate Family Member or trust for the benefit of an individual Holder or one or more of such Holder's Immediate Family Members; (c) after such transfer, holds at least two percent (2%) of the shares of Registrable Securities (or if the transferring Holder owns less than two percent (2%) of the Registrable Securities, then all Registrable Securities held by the transferring Holder); or (d) is a venture capital fund that is controlled by or under common control with one or more general partners or managing partners or managing members of, or shares the same management company with, the Holder; provided, however, that (i) the Company is, within a reasonable time after such

transfer, furnished with written notice of the name and address of such transferee and the Registrable Securities with respect to which such rights are being transferred; and (ii) such transferee agrees in a written instrument delivered to the Company to be bound by and subject to the terms and conditions of this Agreement, including the provisions of Section 3.11. For the purposes of determining the number of shares of Registrable Securities held by a transferee, the holdings of a transferee (A) that is an Affiliate, limited partner, retired or former partner, member, retired or former member, or stockholder of a Holder or such Holder's Affiliate; (B) who is a Holder's Immediate Family Member; or (C) that is a trust for the benefit of an individual Holder or such Holder's Immediate Family Member shall be aggregated together and with those of the transferring Holder. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

7.2 Governing Law. This Agreement and any controversy arising out of or relating to this Agreement shall be governed by and construed in accordance with the General Corporation Law of the State of Delaware to the extent applicable, and to the extent the General Corporation Law of the State of Delaware is not applicable, the laws of the State of California, without regard to conflict of law principles that would result in the application of any law other than such laws.

7.3 Counterparts; Facsimile. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may also be executed and delivered by facsimile signature and in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

7.4 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

7.5 Notices. All notices, requests, and other communications given, made or delivered pursuant to this Agreement shall be in writing and shall be deemed effectively given, made or delivered upon the earlier of actual receipt or: (a) personal delivery to the party to be notified; (b) when sent, if sent by facsimile during the recipient's normal business hours, and if not sent during normal business hours, then on the recipient's next business day; (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (d) one (1) business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses as set forth on Schedule A hereto, or to the principal office of the Company and to the attention of the Chief Executive Officer, in the case of the Company, or to such address or facsimile number as subsequently modified by written notice given in accordance with this Section 7.5. If notice is given to the

Company, it shall be sent to 1237 E Arques Ave, Sunnyvale, California 94085, marked "Attention: Chief Executive Officer"; and a copy (which shall not constitute notice) shall also be sent to Fenwick & West LLP, Silicon Valley Center, 801 California Street, Mountain View, California 94041, Attn: Mark Leahy. If notice is given to the Investors, a copy (which shall not constitute notice) shall also be sent to Paul Hastings LLP, 100 Bishopsgate London, POST-LON EC2N 4AG United Kingdom, Attn: David Prowse. If no facsimile number is listed on Schedule A for a party (or above in the case of the Company), notices and communications given or made by facsimile shall not be deemed effectively given to such party.

7.6 Amendments and Waivers. This Agreement may only be amended or terminated and the observance of any term hereof may be waived (either generally or in a particular instance, and either retroactively or prospectively) only by a written instrument executed by the Company and (a) with respect to Sections 2 and 4 and any other provision of this Agreement to the extent such provision pertains to Section 2 or 4, the holders of at least 65% of the Registrable Securities then outstanding and held by the Major Investors, (b) with respect to Sections 1, 3, 5, 6 and 7 and any other provision of this Agreement to the extent such provision pertains to Section 1, 3, 5, 6 or 7, the holders of at least 65% of the Registrable Securities then outstanding, or (c) with respect to Section 5.5 and any other provision of this Agreement to the extent such provision pertains to Section 5.5, Altimeter, Eclipse, Falcon Edge, MOZN and EPTH, solely to the extent such provision pertains to Altimeter, Eclipse, Falcon Edge, MOZN or EPTH, or (d) with respect to either of the definitions of Affiliate or Competitor in Section 1, solely to the extent such definitions pertain to Falcon Edge, or this Section 7.6(d), Falcon Edge; provided that (i) the Company may in its sole discretion waive compliance with Section 3.12 (and the Company's failure to object promptly in writing after notification of a proposed assignment allegedly in violation of Section 3.12 shall be deemed to be a waiver); (ii) any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party; and (iii) the Company may, without the consent or approval of any other party hereto, cause additional persons to become party to this Agreement as Investors or Lenders pursuant to Section 7.14 hereto and amend Schedule A hereto accordingly. Further, this Agreement may not be amended, and no provision hereof may be waived, in each case, in any way which would adversely affect the rights of the Key Holders hereunder in a manner disproportionate to any adverse effect such amendment or waiver would have on the rights of the Investors hereunder, without also the written consent of the holders of a majority of the Registrable Securities held by the Key Holders who are then employed by the Company; provided, however, that the grant to third parties of piggyback registration rights under Section 3.2 hereof shall not be deemed to be an adverse change to the piggyback registration rights of the Key Holders under this Agreement and shall not require the consent of the Key Holders. Further, this Agreement may not be amended or terminated and the observance of any term hereof may not be waived with respect to any Major Investor without the written consent of such Major Investor, unless such amendment, termination, or waiver applies to all Major Investors in the same fashion. Any amendment, termination, or waiver effected in accordance with this Section 7.6 shall be binding on each party hereto and all of such party's successors and permitted assigns, regardless of whether or not any such party, successor or assignee entered into or approved such amendment, termination, or waiver. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision.

7.7 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

7.8 Aggregation of Stock. All shares of Registrable Securities held or acquired by affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such affiliated persons may apportion such rights as among themselves in any manner they deem appropriate.

7.9 Entire Agreement. The Prior Agreement is amended and restated hereby in its entirety. This Agreement (including any Schedules and Exhibits hereto) constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled and replaced with this Agreement.

7.10 Third Parties. Except as set forth in Section 3.11 of this Agreement, nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties hereto and their successors and assigns, any rights or remedies under or by reason of this Agreement.

7.11 Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such nonbreaching or nondefaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

7.12 Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the federal or state courts located in the Northern District of California for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the federal or state courts located in the Northern District of California, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that a party is not subject to the jurisdiction of the above- named courts, that its property is exempt or immune from attachment or execution based upon judgment or order of such court(s), that any suit, action or proceeding arising out of or based upon this Agreement commenced in the federal or state courts located in the Northern District of California is brought in an inconvenient forum, that the venue of such suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court. Should any party commence a suit, action or other proceeding arising out of or based upon this Agreement in a forum other than the federal or state courts located in the Northern District of California, or should any party otherwise seek to transfer or dismiss such suit, action or proceeding

from such court(s), that party shall indemnify and reimburse the other party for all legal costs and expenses incurred in enforcing this provision.

7.13 Attorneys' Fees. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the non-prevailing party shall pay all costs and expenses incurred by the prevailing party, including, without limitation, all reasonable attorneys' fees.

7.14 Additional Investors and Lenders. Notwithstanding anything to the contrary contained herein, if the Company issues additional shares of the Company's Series F-1 Preferred Stock after the date hereof, any purchaser of such shares of Series F-1 Preferred Stock may become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement, and thereafter shall be deemed an "Investor" for all purposes hereunder. In addition, notwithstanding anything to the contrary contained herein, if the Company issues any Lender Warrant, any recipient of a Lender Warrant may become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement, and thereafter shall be deemed a "Lender" for all purposes hereunder. No action or consent by the Investors shall be required for such joinder to this Agreement by such additional Investor or Lender, so long as such additional Investor or Lender has agreed in writing to be bound by all of the obligations as an "Investor" or a "Lender" hereunder, as applicable.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

COMPANY:

CEREBRAS SYSTEMS INC.

By: /s/ Andrew Feldman
Name: Andrew Feldman
Title: Chief Executive Officer

IN WITNESS WHEREOF, the parties have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTORS:

ADVANCED MICRO DEVICES, INC.

By: /s/ Ava M. Hahn
Name: Ava M. Hahn
Title: SVP, General Counsel and Corporate Secretary

IN WITNESS WHEREOF, the parties have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTORS:

QUALCOMM VENTURES LLC

By: /s/ Adam Schwenker
Name: Adam Schwenker
Title: Authorized Signatory

IN WITNESS WHEREOF, the parties have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTORS:

ATREIDES FOUNDATION MASTER FUND LP

By: Atreides Foundation Fund GP, LLC, its General Partner

By: /s/ Laura Malone
Name: Laura Malone
Title: General Counsel & CCO

ATREIDES ARRAKIS MASTER FUND, LP

By: Atreides Arrakis Fund GP, LLC, its General Partner

By: /s/ Laura Malone
Name: Laura Malone
Title: General Counsel & CCO

IN WITNESS WHEREOF, the parties have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTORS:

VALOR R&D SERIES LLC – SERIES IQ

By: /s/ Antonio Gracias
Name: Antonio Gracias
Title: Authorized Officer

IN WITNESS WHEREOF, the parties have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTORS:

ALTIMETER PARTNERS FUND, L.P.
By: Altimeter General Partner, LLC
Its: General Partner

By: /s/ John J. Kiernan III
Name: John J. Kiernan III
Title: Authorized Person

ALTIMETER PRIVATE PARTNERS FUND II, L.P.
By: Altimeter Private General Partner II, LLC
Its: General Partner

By: /s/ John J. Kiernan III
Name: John J. Kiernan III
Title: Authorized Person

ALTIMETER GROWTH PARTNERS FUND III, L.P.
By: Altimeter Growth General Partner III, LLC
Its: General Partner

By: /s/ John J. Kiernan III
Name: John J. Kiernan III
Title: Authorized Person

ALTIMETER GROWTH PARTNERS FUND IV, L.P.
By: Altimeter Growth General Partner IV, LLC
Its: General Partner

By: /s/ John J. Kiernan III
Name: John J. Kiernan III
Title: Authorized Person

IN WITNESS WHEREOF, the parties have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTORS:

COATUE PRIVATE FUND II LP

By: Coatue Private II GP LLC, its general partner

By: /s/ Zachary Feingold
Name: Zachary Feingold
Title: Authorized Signatory

COATUE CT 61 LLC

By: /s/ Zachary Feingold
Name: Zachary Feingold
Title: Authorized Signatory

IN WITNESS WHEREOF, the parties have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTORS:

FOUNDATION CAPITAL VIII, L.P.

By: Foundation Capital Management Co. VIII, LLC, its Manager

By: /s/ Steve Vassallo
Name: Steve Vassallo
Title: Manager

FOUNDATION CAPITAL VIII PRINCIPALS FUND, LLC

By: Foundation Capital Management Co. VIII, LLC, its Manager

By: /s/ Steve Vassallo
Name: Steve Vassallo
Title: Manager

FOUNDATION CAPITAL LEADERSHIP FUND II, L.P.

By: Foundation Capital Management Co. LF II, LLC, its Manager

By: /s/ Steve Vassallo
Name: Steve Vassallo
Title: Manager

IN WITNESS WHEREOF, the parties have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTORS:

ALPHA WAVE HOLDINGS, LP

By: /s/ Cathy Weist
Name: Cathy Weist
Title: Authorized Signatory

ALPHA WAVE VENTURES II, LP

By: /s/ Cathy Weist
Name: Cathy Weist
Title: Authorized Signatory

IN WITNESS WHEREOF, the parties have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTORS:

FALCON Q LP

By: /s/ Cathy Weist
Name: Cathy Weist
Title: Authorized Signatory

IN WITNESS WHEREOF, the parties have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTORS:

BENCHMARK CAPITAL PARTNERS VIII, L.P.
as nominee for
Benchmark Capital Partners VIII, L.P.,
Benchmark Founders' Fund VIII, L.P.,
and Benchmark Founders' Fund VIII-B, L.P.

By: Benchmark Capital Management Co. VIII, L.L.C.,
its general partner

By: /s/ An-Yen Hu
Name: An-Yen Hu
Title: Managing Member

IN WITNESS WHEREOF, the parties have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

INVESTORS:

ECLIPSE VENTURES FUND I, L.P.

By: Eclipse Ventures GP I, LLC
Its General Partner

By: /s/ Greg Lyon
Name: Greg Lyon
Title: CFO

ECLIPSE CONTINUITY FUND I, L.P.

By: Eclipse Continuity GP I, LLC
Its General Partner

By: /s/ Greg Lyon
Name: Greg Lyon
Title: CFO

ECLIPSE SPV II, L.P.

By: Eclipse SPV II GP, LLC
Its General Partner

By: /s/ Greg Lyon
Name: Greg Lyon
Title: CFO

ECLIPSE SPV XIII, L.P.

By: Eclipse SPV XIII GP, LLC
Its General Partner

By: /s/ Greg Lyon
Name: Greg Lyon
Title: CFO

IN WITNESS WHEREOF, the parties have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

KEY HOLDERS:

ANDREW FELDMAN

/s/ Andrew Feldman

IN WITNESS WHEREOF, the parties have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

KEY HOLDERS:

JEAN-PHILIPPE FRICKER

/s/ Jean-Philippe Fricker

JEAN-PHILIPPE FRICKER AND
ANNE-FRANCE FRICKER, TRUSTEES
OF THE FRICKER REVOCABLE TRUST
DATED AUGUST 10, 2020

By: /s/ Jean-Philippe Fricker
Name: Jean-Philippe Fricker
Title: Trustee

By: /s/ Anne-France Fricker
Name: Anne-France Fricker
Title: Trustee

IN WITNESS WHEREOF, the parties have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

KEY HOLDERS:

SEAN LIE

/s/ Sean Lie

IN WITNESS WHEREOF, the parties have executed this **Amended and Restated Investors' Rights Agreement** as of the date first written above.

KEY HOLDERS:

GARY LAUTERBACH

/s/ Gary Lauterbach

SCHEDULE A

List of Investors

Name and Address of Investor
Altimeter Partners Fund, L.P. c/o Altimeter Capital Management, LP [***] with a copy to: General Counsel Altimeter Capital Management, LP [***]
Altimeter Private Partners Fund II, L.P. c/o Altimeter Capital Management, LP [***] with a copy to: General Counsel Altimeter Capital Management, LP [***]
Altimeter Growth Partners Fund III, L.P. c/o Altimeter Capital Management, LP [***] with a copy to: General Counsel Altimeter Capital Management, LP [***]

Altimeter Growth Partners Fund IV, L.P. c/o Altimeter Capital Management, LP [***] with a copy to: General Counsel Altimeter Capital Management, LP [***]
Moore Strategic Ventures, LLC [***]
Baidu Capital, L.P. [***]
VY Fund I, LP c/o Vy Capital Management Company Limited [***]
The Washington University [***]
Mount Rainier Investment Limited c/o Tencent Holdings Limited [***]   with a copy to: Tencent Building, [***]

Coatue CT 61 LLC [***]
Coatue Private Fund II LP [***]
Foundation Capital VIII, L.P. [***]
Foundation Capital VIII Principals Fund, LLC [***]
Benchmark Capital Partners VIII, L.P. [***]
Eclipse Ventures Fund I, L.P. [***]
Eclipse Continuity Fund I, L.P. [***]
Eclipse SPV II, L.P. [***]
Adam D'Angelo Revocable Trust [***]
Christopher A. Cole [***]
Ugglasset Handelsbolag (Limited Partnership) [***]
SEB Fund Services S.A. for and on behalf of IOR FCP-SIF SEB Private Banking [***]
Leslie Family Trust U/A 2/7/96 [***]

Leslie Enterprises LP [***]
Altman Family LLC [***]
A&E Investment LLC [***]
Kushagra Vaid [***]
Emerging Technologies Fund II LLC [***]
Emerging Technologies Fund III LLC [***]
Lemida, LLC [***]
Fathom Capital, L.P. [***]
Greg Brockman [***]
Ilya Sutskever [***]
SV Angel VI, L.P. [***]
Sindhu Family Trust [***]
The Nicholas and Asena McKeown 2012 Revocable Trust [***]
Nagarani Chandika [***]
Specialized Fund I, LLC [***]

Rothschild Revocable Living Trust [***]
Philip Ferolito [***]
Andreas Bechtolsheim [***]
Trevor Blackwell [***]
John Schulman [***]
Argean Dynasty LLC Argean Capital [***]
David and Sima Haya Perlmutter [***]
OFPP LLC [***]
Davis Investment Holdings, LLC [***]
Anthony E. Maslowski Trust [***]
CAZ Partners Fund, L.P. [***]
CAZ PEA2 Cerebras Aggregator, L.P. [***]
CAZ BB Aggregator, L.P. [***]
In-Q-Tel, Inc. [***]

Foundation Capital Leadership Fund II, L.P. [***]
Dharma Revocable Living Trust [***]
Roger Biscay
Alpha Wave Holdings, LP [***] c/o Maples and Calder with a copy to: Alpha Wave Global LP [***]
Alpha Wave Ventures II, LP c/o Maples and Calder [***] with a copy to: Alpha Wave Global LP [***]

Falcon Q LP c/o Maples and Calder [***] with a copy to: Alpha Wave Global LP [***]
Mozn Holding RSC Limited [***]
Expansion Project Technologies Holding 8 SPV RSC Ltd. [***]
Harvard Management Private Equity Corporation c/o Harvard Management Company, Inc. [***]
Pomegranate AI LLC [***]
Hail Fund V, LLC [***]
Totem Turing Accelerator, LP c/o Totem Point Management, LLC [***]
CE Fund I, A Series of AngelList-GP-Funds-I, LP [***]

Advanced Micro Devices, Inc. [***]
Qualcomm Ventures LLC [***]
Atreides Foundation Master Fund LP [***]
Atreides Arrakis Master Fund, LP [***]
Valor R&D Series LLC – Series IQ [***]

SCHEDULE B

List of Key Holders

Name and Address of Key Holder	Number of Shares of Common Stock Initially Held
Andrew Feldman [***]	9,000,000
Sean Lie [***]	6,000,000
JP Fricker [***]	3,000,000
Michael James [***]	6,000,000
Gary Lauterbach [***]	6,000,000

AIRCRE contracts

STANDARD INDUSTRIAL/COMMERCIAL SINGLE-TENANT LEASE - NET
(DO NOT USE THIS FORM FOR MULTI-TENANT BUILDINGS)

1. Basic Provisions ("Basic Provisions").

1.1 **Parties.** This Lease ("**Lease**"), dated for reference purposes only January 27, 2022 , is made by and between Xinbei Tech, Inc., a California corporation ("**Lessor**") and Cerebras Systems, Inc., a Delaware corporation ("**Lessee**"), (collectively the "**Parties**," or individually a "**Party**").

1.2 **Premises:** That certain real property, including all improvements therein or to be provided by Lessor under the terms of this Lease, commonly known as (street address, city, state, zip): 1237 E, Arques Avenue, Sunnyvale, California 94085 ("**Premises**"). The Premises are located in the County of Santa Clara , and are generally described as (describe briefly the nature of the property and , if applicable, the "**Project**," if the property is located within a Project): N/A . (See also Paragraph 2)

1.3 **Term:** One (1) years and zero (0) months ("**Original Term**") commencing December 1, 2022 ("**Commencement Date**") and ending November 30, 2023 ("**Expiration Date**"). (See also Paragraph 3)

1.4 **Early Possession:** Lessee is currently in possession of the Premises. ~~If the Premises are available Lessee may have non-exclusive possession of the Premises commencing _____ ("**Early Possession Date**"). (See also Paragraphs 3.2 and 3.3)~~

1.5 **Base Rent:** $181,811.20 per month ("**Base Rent**"), payable on the first (1st) day of each month commencing December 1, 2022 . (See also Paragraph 4)

☐ ~~If this box is checked, there are provisions in this Lease for the Base Rent to be adjusted. See Paragraph _____.~~

1.6 **Base Rent and Other Monies Paid Upon Execution:**

(a) **Base Rent:** $181,811.20 for the period December 1-31, 2022 .

(b) **Security Deposit:** $181,811.20 ("**Security Deposit**"). (See also Paragraph 5)

~~(c) **Association Fees:** _____ for the period _____.~~

(d) **Other:** $43,909.12 for Estimated Operating Expenses for December 1-31, 2022 .

(e) **Total Due Upon Execution of this Lease:** $407,531.52 .

1.7 **Agreed Use**: General office and research, development and related legal uses . (See also Paragraph 6)

1.8 **Insuring Party.** Lessor is the "**Insuring Party**" unless otherwise stated herein. (See also Paragraph 8)

1.9 **Real Estate Brokers.** (See also Paragraph 15 and 25)

(a) **Representation**: Each Party acknowledges receiving a Disclosure Regarding Real Estate Agency Relationship, confirms and consents to the following agency relationships in this Lease with the following real estate brokers ("**Broker(s)**") and/or their agents ("Agent(s)"):

Lessor's Brokerage Firm Cushman & Wakefield U.S., Inc. License No. 01880493 Is the broker of (check one): ☐ the Lessor; or ☐ both the Lessee and Lessor (dual agent).

Lessor's Agent Tenny Tsai License No. 00966186 is (check one): ☐ the Lessor's Agent (salesperson or broker associate); or ☐ both the Lessee's Agent and the Lessor's Agent (dual agent).

Lessee's Brokerage Firm S5 Advisory License No. 01917419 Is the broker of (check one): ☐ the Lessee; or ☐ both the Lessee and Lessor (dual agent).

Lessee's Agent Sushma Malhotra License No. 01459988 is (check one): ☐ the Lessee's Agent (salesperson or broker associate); or ☐ both the Lessee's Agent and the Lessor's Agent (dual agent).

(b) **Payment to Brokers.** Upon execution and delivery of this Lease by both Parties, Lessor shall pay to the Brokers the brokerage fee agreed to in a separate written agreement (or if there is no such agreement, the sum of ~~_____ or~~ 7 % of the total Base Rent) for the brokerage services rendered by the Brokers. Upon the full execution and delivery of this Lease, 2.5% shall be paid to Lessee's Brokerage Firm and 1% shall be paid to Lessor's Brokerage Firm; on December 1, 2022, upon Lessee's continued occupancy of the Premises, another 2.5% shall be paid to Lessee's Brokerage Firm and 1% shall be paid to Lessor's Brokerage Firm.

~~1.10 **Guarantor.** The obligations of the Lessee under this Lease are to be guaranteed by: _____ ("**Guarantor**"). (See also Paragraph 37)~~

1.11 **Attachments.** Attached hereto are the following, all of which constitute a part of this Lease:

☐ an Addendum consisting of Paragraphs 51 through 58 ;

☐ a plot plan depicting the Premises;

☐ a current set of the Rules and Regulations;

☐ a Work Letter;

☐ other (specify): _____.

2. Premises.

2.1 **Letting**. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises, for the term, at the rental, and upon all of the terms, covenants and conditions set forth in this Lease. While the approximate square footage of the Premises may have been used in the marketing of the Premises for purposes of comparison, the Base Rent stated herein is NOT tied to square footage and is

/s/ Chen
Chen
INITIALS

/s/ A F
INITIALS

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not subject to adjustment should the actual size be determined to be different. **NOTE: Lessee is advised to verify the actual size prior to executing this Lease.**

2.2 **Condition**. Lessee is currently in possession of the Premises pursuant to a sublease from Verizon Smart Communities, LLC which sublease expires on November 30, 2022. This Lease will permit Lessee to continue its occupancy of the Premises. Accordingly, Lessee agrees to accept the condition of the Premises in its current condition, subject to use thereof by Lessee and otherwise subject to normal wear and tear on December 1, 2022. ~~Lessor shall deliver the Premises to Lessee broom clean and free of debris on the Commencement Date or the Early Possession Date, whichever first occurs ("**Start Date**"), and, so long as the required service contracts described in Paragraph 7.1(b) below are obtained by Lessee and in effect within thirty days following the Start Date, warrants that the existing electrical, plumbing, fire sprinkler, lighting, heating, ventilating and air conditioning systems ("**HVAC**"), loading doors, sump pumps, if any, and all other such elements in the Premises, other than those constructed by Lessee, shall be in good operating condition on said date, that the structural elements of the roof, bearing walls and foundation of any buildings on the Premises (the "**Building**") shall be free of material defects, and that the Premises do not contain hazardous levels of any mold or fungi defined as toxic under applicable state or federal law. If a non-compliance with said warranty exists as of the Start Date, or if one of such systems or elements should malfunction or fail within the appropriate warranty period, Lessor shall, as Lessor's sole obligation with respect to such matter, except as otherwise provided in this Lease, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, malfunction or failure, rectify same at Lessor's expense. The warranty periods shall be as follows: (i) 6 months as to the HVAC systems, and (ii) 30 days as to the remaining systems and other elements of the Building. If Lessee does not give Lessor the required notice within the appropriate warranty period, correction of any such non-compliance, malfunction or failure shall be the obligation of Lessee at Lessee's sole cost and expense. Lessor also warrants, that unless otherwise specified in writing, Lessor is unaware of (i) any recorded Notices of Default affecting the Premise; (ii) any delinquent amounts due under any loan secured by the Premises; and (iii) any bankruptcy proceeding affecting the Premises.~~

2.3 **Compliance**. ~~Lessor warrants that to the best of its knowledge the improvements on the Premises comply with the building codes, applicable laws, covenants or restrictions of record, regulations, and ordinances ("**Applicable Requirements**") that were in effect at the time that each improvement, or portion thereof, was constructed. Said warranty does not apply to the use to which Lessee will put the Premises, modifications which may be required by the Americans with Disabilities Act or any similar laws as a result of Lessee's use (see Paragraph 50), or to any Alterations or Utility Installations (as defined in Paragraph 7.3(a)) made or to be made by Lessee. **NOTE: Lessee is responsible for determining whether or not the Applicable Requirements, and especially the zoning, are appropriate for Lessee's intended use, and acknowledges that past uses of the Premises may no longer be allowed.** If the Premises do not comply with said warranty, Lessor shall, except as otherwise provided, promptly after receipt of written notice from Lessee setting forth with specificity the nature and extent of such non-compliance, rectify the same at Lessor's expense. If Lessee does not give Lessor written notice of a non-compliance with this warranty within 6 months following the Start Date, correction of that non-compliance shall be the obligation of Lessee at Lessee's sole cost and expense.~~ Applicable Requirements mean building codes, applicable laws, covenants or restrictions of record, regulations and ordinances. If the Applicable Requirements are hereafter changed so as to require during the term of this Lease the construction of an addition to or an alteration of the Premises and/or Building, the remediation of any Hazardous Substance, or the reinforcement or other physical modification of the Unit, Premises and/or Building ("**Capital Expenditure**"), Lessor and Lessee shall allocate the cost of such work as follows:

(a) Subject to Paragraph 2.3(c) below, if such Capital Expenditures are required as a result of the specific and unique use of the Premises by Lessee as compared with uses by tenants in general, Lessee shall be fully responsible for the cost thereof, provided, however, that if such Capital Expenditure is required during the last 2 years of this Lease and the cost thereof exceeds 6 months' Base Rent, Lessee may instead terminate this Lease unless Lessor notifies Lessee, in writing, within 10 days after receipt of Lessee's termination notice that Lessor has elected to pay the difference between the actual cost thereof and an amount equal to 6 months' Base Rent. If Lessee elects termination, Lessee shall immediately cease the use of the Premises which requires such Capital Expenditure and deliver to Lessor written notice specifying a termination date at least 90 days thereafter. Such termination date shall, however, in no event be earlier than the last day that Lessee could legally utilize the Premises without commencing such Capital Expenditure.

(b) If such Capital Expenditure is not the result of the specific and unique use of the Premises by Lessee (such as, governmentally mandated seismic modifications), then Lessor shall pay for such Capital Expenditure and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease or any extension thereof, on the date that on which the Base Rent is due, an amount equal to 1/144th of the portion of such costs reasonably attributable to the Premises. Lessee shall pay Interest on the balance but may prepay its obligation at any time. If, however, such Capital Expenditure is required during the last 2 years of this Lease or if Lessor reasonably determines that it is not economically feasible to pay its share thereof, Lessor shall have the option to terminate this Lease upon 90 days prior written notice to Lessee unless Lessee notifies Lessor, in writing, within 10 days after receipt of Lessor's termination notice that Lessee will pay for such Capital Expenditure. If Lessor does not elect to terminate, and fails to tender its share of any such Capital Expenditure, Lessee may advance such funds and deduct same, with Interest, from Rent until Lessor's share of such costs have been fully paid. If Lessee is unable to finance Lessor's share, or if the balance of the Rent due and payable for the remainder of this Lease is not sufficient to fully reimburse Lessee on an offset basis, Lessee shall have the right to terminate this Lease upon 30 days written notice to Lessor.

(c) Notwithstanding the above, the provisions concerning Capital Expenditures are intended to apply only to non-voluntary, unexpected, and new Applicable Requirements. If the Capital Expenditures are instead triggered by Lessee as a result of an actual or proposed change in use, change in intensity of use, or modification to the Premises then, and in that event, Lessee shall either: (i) immediately cease such changed use or intensity of use and/or take such other steps as may be necessary to eliminate the requirement for such Capital Expenditure, or (ii) complete such Capital Expenditure at its own expense. Lessee shall not, however, have any right to terminate this Lease.

2.4 **Acknowledgements**. Lessee acknowledges that: (a) it has been given an opportunity to inspect and measure the Premises, (b) it has been advised by Lessor and/or Brokers to satisfy itself with respect to the size and condition of the Premises (including but not limited to the electrical, HVAC and fire sprinkler systems, security, environmental aspects, and compliance with Applicable Requirements and the Americans with Disabilities Act), and their suitability for Lessee's intended use, (c) Lessee has made such investigation as it deems necessary with reference to such matters and assumes all responsibility therefor as the same relate to its occupancy of the Premises, (d) it is not relying on any representation as to the size of the Premises made by Brokers or Lessor, (e) the square footage of the Premises was

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not material to Lessee's decision to lease the Premises and pay the Rent stated herein, and (f) neither Lessor, Lessor's agents, nor Brokers have made any oral or written representations or warranties with respect to said matters other than as set forth in this Lease. In addition, Lessor acknowledges that: (i) Brokers have made no representations, promises or warranties concerning Lessee's ability to honor the Lease or suitability to occupy the Premises, and (ii) it is Lessor's sole responsibility to investigate the financial capability and/or suitability of all proposed tenants.

2.5 **Lessee as Prior Owner/Occupant**. The warranties made by Lessor in Paragraph 2 shall be of no force or effect if immediately prior to the Start Date Lessee was the owner or occupant of the Premises. In such event, Lessee shall be responsible for any necessary corrective work.

3. Term.

3.1 **Term**. The Commencement Date, Expiration Date and Original Term of this Lease are as specified in Paragraph 1.3.

~~3.2 **Early Possession**. Any provision herein granting Lessee Early Possession of the Premises is subject to and conditioned upon the Premises being available for such possession prior to the Commencement Date. Any grant of Early Possession only conveys a non-exclusive right to occupy the Premises. If Lessee totally or partially occupies the Premises prior to the Commencement Date, the obligation to pay Base Rent shall be abated for the period of such Early Possession. All other terms of this Lease (including but not limited to the obligations to pay Real Property Taxes and insurance premiums and to maintain the Premises) shall be in effect during such period. Any such Early Possession shall not affect the Expiration Date.~~

~~3.3 **Delay In Possession**. Lessor agrees to use commercially reasonable efforts to deliver exclusive possession of the Premises to Lessee by the Commencement Date. If, despite said efforts, Lessor is unable to deliver possession by such date, Lessor shall not be subject to any liability therefor, nor shall such failure affect the validity of this Lease or change the Expiration Date. Lessee shall not, however, be obligated to pay Rent or perform its other obligations until Lessor delivers possession of the Premises and any period of rent abatement that Lessee would otherwise have enjoyed shall run from the date of delivery of possession and continue for a period equal to what Lessee would otherwise have enjoyed under the terms hereof, but minus any days of delay caused by the acts or omissions of Lessee. If possession is not delivered within 60 days after the Commencement Date, as the same may be extended under the terms of any Work Letter executed by Parties, Lessee may, at its option, by notice in writing within 10 days after the end of such 60 day period, cancel this Lease, in which event the Parties shall be discharged from all obligations hereunder. If such written notice is not received by Lessor within said 10 day period, Lessee's right to cancel shall terminate. If possession of the Premises is not delivered within 120 days after the Commencement Date, this Lease shall terminate unless other agreements are reached between Lessor and Lessee, in writing.~~

3.4 **Lessee Compliance**. Lessor shall not be required to tender possession of the Premises to Lessee until Lessee complies with its obligation to provide evidence of insurance (Paragraph 8.5). Pending delivery of such evidence, Lessee shall be required to perform all of its obligations under this Lease from and after the Start Date, including the payment of Rent, notwithstanding Lessor's election to withhold possession pending receipt of such evidence of insurance. Further, if Lessee is required to perform any other conditions prior to or concurrent with the Start Date, the Start Date shall occur but Lessor may elect to withhold possession until such conditions are satisfied.

4. Rent.

4.1 **Rent Defined**. All monetary obligations of Lessee to Lessor under the terms of this Lease (except for the Security Deposit) are deemed to be rent ("**Rent**").

4.2 **Payment**. Lessee shall cause payment of Rent to be received by Lessor in lawful money of the United States, without offset or deduction (except as specifically permitted in this Lease), on or before the day on which it is due. ~~All monetary amounts shall be rounded to the nearest whole dollar.~~ In the event that any invoice prepared by Lessor is inaccurate such inaccuracy shall not constitute a waiver and Lessee shall be obligated to pay the amount set forth in this Lease. Rent for any period during the term hereof which is for less than one full calendar month shall be prorated based upon the actual number of days of said month. Payment of Rent shall be made to Lessor at its address stated herein or to such other persons or place as Lessor may from time to time designate in writing. Acceptance of a payment which is less than the amount then due shall not be a waiver of Lessor's rights to the balance of such Rent, regardless of Lessor's endorsement of any check so stating. In the event that any check, draft, or other instrument of payment given by Lessee to Lessor is dishonored for any reason, Lessee agrees to pay to Lessor the sum of $25 in addition to any Late Charge and Lessor, at its option, may require all future Rent be paid by cashier's check. Payments will be applied first to accrued late charges and attorney's fees, second to accrued interest, then to Base Rent, Insurance and Real Property Taxes, and any remaining amount to any other outstanding charges or costs.

4.3 **Association Fees**. In addition to the Base Rent, Lessee shall pay to Lessor each month an amount equal to any owner's association or condominium fees levied or assessed against the Premises. Said monies shall be paid at the same time and in the same manner as the Base Rent.

5. Security Deposit. Lessee shall deposit with Lessor upon execution hereof the Security Deposit as security for Lessee's faithful performance of its obligations under this Lease. If Lessee fails to pay Rent, or otherwise Defaults under this Lease, Lessor may use, apply or retain all or any portion of said Security Deposit for the payment of any amount already due Lessor, for Rents which will be due in the future, and/ or to reimburse or compensate Lessor for any liability, expense, loss or damage which Lessor may suffer or incur by reason thereof. If Lessor uses or applies all or any portion of the Security Deposit, Lessee shall within 10 days after written request therefor deposit monies with Lessor sufficient to restore said Security Deposit to the full amount required by this Lease. If the Base Rent increases during the term of this Lease, Lessee shall, upon written request from Lessor, deposit additional monies with Lessor so that the total amount of the Security Deposit shall at all times bear the same proportion to the increased Base Rent as the initial Security Deposit bore to the initial Base Rent. Should the Agreed Use be amended to accommodate a material change in the business of Lessee or to accommodate a sublessee or assignee, Lessor shall have the right to increase the Security Deposit to the extent necessary, in Lessor's reasonable judgment, to account for any increased wear and tear that the Premises may suffer as a result thereof. If a change in control of Lessee occurs during this Lease and following such change the financial condition of Lessee is, in Lessor's reasonable judgment, significantly reduced, Lessee shall deposit such additional monies with Lessor as shall be sufficient to cause the Security Deposit to be at a commercially reasonable level based on such change in financial condition. Lessor shall not be required to keep the Security Deposit separate from its general accounts. Within 30~~90~~ days after the expiration or termination of this Lease and surrender of the Premises to Lessor in the condition required by this Lease, Lessor

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shall return that portion of the Security Deposit not used or applied by Lessor. Lessor shall upon written request provide Lessee with an accounting showing how that portion of the Security Deposit that was not returned was applied. No part of the Security Deposit shall be considered to be held in trust, to bear interest or to be prepayment for any monies to be paid by Lessee under this Lease. THE SECURITY DEPOSIT SHALL NOT BE USED BY LESSEE IN LIEU OF PAYMENT OF THE LAST MONTH'S RENT.

6. Use.

6.1 **Use**. Lessee shall use and occupy the Premises only for the Agreed Use, or any other legal use which is reasonably comparable thereto, and for no other purpose. Lessee shall not use or permit the use of the Premises in a manner that is unlawful, creates damage, waste or a nuisance, or that disturbs occupants of or causes damage to neighboring premises or properties. Other than guide, signal and seeing eye dogs, Lessee shall not keep or allow in the Premises any pets, animals, birds, fish, or reptiles. Lessor shall not unreasonably withhold or delay its consent to any written request for a modification of the Agreed Use, so long as the same will not impair the structural integrity of the improvements on the Premises or the mechanical or electrical systems therein, and/or is not significantly more burdensome to the Premises. If Lessor elects to withhold consent, Lessor shall within 7 days after such request give written notification of same, which notice shall include an explanation of Lessor's objections to the change in the Agreed Use.

6.2 **Hazardous Substances**.

(a) **Reportable Uses Require Consent**. The term "**Hazardous Substance**" as used in this Lease shall mean any product, substance, or waste whose presence, use, manufacture, disposal, transportation, or release, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for potential liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, and/or crude oil or any products, by-products or fractions thereof. Lessee shall not engage in any activity in or on the Premises which constitutes a Reportable Use of Hazardous Substances without the express prior written consent of Lessor and timely compliance (at Lessee's expense) with all Applicable Requirements. "**Reportable Use**" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority, and/or (iii) the presence at the Premises of a Hazardous Substance with respect to which any Applicable Requirements requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding the foregoing, Lessee may use any ordinary and customary materials reasonably required to be used in the normal course of the Agreed Use, ordinary office supplies (copier toner, liquid paper, glue, etc.) and common household cleaning materials, so long as such use is in compliance with all Applicable Requirements, is not a Reportable Use, and does not expose the Premises or neighboring property to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may condition its consent to any Reportable Use upon receiving such additional assurances as Lessor reasonably deems necessary to protect itself, the public, the Premises and/or the environment against damage, contamination, injury and/or liability, including, but not limited to, the installation (and removal on or before Lease expiration or termination) of protective modifications (such as concrete encasements) and/or increasing the Security Deposit.

(b) **Duty to Inform Lessor**. If Lessee knows, or has reasonable cause to believe, that a Hazardous Substance has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor, and provide Lessor with a copy of any report, notice, claim or other documentation which it has concerning the presence of such Hazardous Substance.

(c) **Lessee Remediation**. Lessee shall not cause or permit any Hazardous Substance to be spilled or released in, on, under, or about the Premises (including through the plumbing or sanitary sewer system) and shall promptly, at Lessee's expense, comply with all Applicable Requirements and take all investigatory and/or remedial action reasonably recommended, whether or not formally ordered or required, for the cleanup of any contamination of, and for the maintenance, security and/or monitoring of the Premises or neighboring properties, that was caused or materially contributed to by Lessee, or pertaining to or involving any Hazardous Substance brought onto the Premises during the term of this Lease, by or for Lessee, or any ~~third party~~of its agents or invitees.

(d) **Lessee Indemnification**. Lessee shall indemnify, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, harmless from and against any and all loss of rents and/or damages, liabilities, judgments, claims, expenses, penalties, and attorneys' and consultants' fees arising out of or involving any Hazardous Substance brought onto the Premises by or for Lessee, or any ~~third party~~of its agents or invitees (provided, however, that Lessee shall have no liability under this Lease with respect to underground migration of any Hazardous Substance under the Premises from adjacent properties not caused or contributed to by Lessee). Lessee's obligations shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease. **No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Substances, unless specifically so agreed by Lessor in writing at the time of such agreement.**

(e) **Lessor Indemnification**. Except as otherwise provided in paragraph 8.7, Lessor and its successors and assigns shall indemnify, defend, reimburse and hold Lessee, its employees and lenders, harmless from and against any and all environmental damages, including the cost of remediation, which result from Hazardous Substances ~~which existed on the Premises prior to Lessee's occupancy or~~ which are caused by the gross negligence or willful misconduct of Lessor, its agents or employees. Lessor's obligations, as and when required by the Applicable Requirements, shall include, but not be limited to, the cost of investigation, removal, remediation, restoration and/or abatement, and shall survive the expiration or termination of this Lease.

(f) **Investigations and Remediations**. Lessor shall retain the responsibility and pay for any investigations or remediation measures required by governmental entities having jurisdiction with respect to the existence of Hazardous Substances on the Premises prior to Lessee's occupancy, unless such remediation measure is required as a result of Lessee's use (including "Alterations", as defined in paragraph 7.3(a) below) of the Premises, in which event Lessee shall be responsible for such payment. Lessee shall cooperate fully in any such activities at the request of Lessor, including allowing Lessor and Lessor's agents to have reasonable access to the Premises at reasonable times in order to carry out Lessor's investigative and remedial responsibilities.

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(g) **Lessor Termination Option**. If a Hazardous Substance Condition (see Paragraph 9.1(e)) occurs during the term of this Lease, unless Lessee is legally responsible therefor (in which case Lessee shall make the investigation and remediation thereof required by the Applicable Requirements and this Lease shall continue in full force and effect, but subject to Lessor's rights under Paragraph 6.2(d) and Paragraph 13), Lessor may, at Lessor's option, either (i) investigate and remediate such Hazardous Substance Condition, if required, as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) if the estimated cost to remediate such condition exceeds 12 times the then monthly Base Rent or $100,000, whichever is greater, give written notice to Lessee, within 30 days after receipt by Lessor of knowledge of the occurrence of such Hazardous Substance Condition, of Lessor's desire to terminate this Lease as of the date 60 days following the date of such notice. In the event Lessor elects to give a termination notice, Lessee may, within 10 days thereafter, give written notice to Lessor of Lessee's commitment to pay the amount by which the cost of the remediation of such Hazardous Substance Condition exceeds an amount equal to 12 times the then monthly Base Rent or $100,000, whichever is greater. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days following such commitment. In such event, this Lease shall continue in full force and effect, and Lessor shall proceed to make such remediation as soon as reasonably possible after the required funds are available. If Lessee does not give such notice and provide the required funds or assurance thereof within the time provided, this Lease shall terminate as of the date specified in Lessor's notice of termination.

6.3 **Lessee's Compliance with Applicable Requirements**. Except as otherwise provided in this Lease, Lessee shall, at Lessee's sole expense, fully, diligently and in a timely manner, materially comply with all Applicable Requirements, the requirements of any applicable fire insurance underwriter or rating bureau, and the recommendations of Lessor's engineers and/or consultants which relate in any manner to the Premises, without regard to whether said Applicable Requirements are now in effect or become effective after the Start Date. Lessee shall, within 10 days after receipt of Lessor's written request, provide Lessor with copies of all permits and other documents, and other information evidencing Lessee's compliance with any Applicable Requirements specified by Lessor, and shall immediately upon receipt, notify Lessor in writing (with copies of any documents involved) of any threatened or actual claim, notice, citation, warning, complaint or report pertaining to or involving the failure of Lessee or the Premises to comply with any Applicable Requirements. Likewise, Lessee shall immediately give written notice to Lessor of: (i) any water damage to the Premises and any suspected seepage, pooling, dampness or other condition conducive to the production of mold; or (ii) any mustiness or other odors that might indicate the presence of mold in the Premises. In addition, Lessee shall provide copies of all relevant material safety data sheets (**MSDS**) to Lessor within 10 days of the receipt of a written request therefor. In addition, Lessee shall provide Lessor with copies of its business license, certificate of occupancy and/or any similar document within 10 days of the receipt of a written request therefor.

6.4 **Inspection; Compliance**. Lessor and Lessor's "**Lender**" (as defined in Paragraph 30) and consultants authorized by Lessor shall have the right to enter into Premises at any time in the case of an emergency, and otherwise at reasonable times after reasonable notice, for the purpose of inspecting and/or testing the condition of the Premises and/or for verifying compliance by Lessee with this Lease. The cost of any such inspections shall be paid by Lessor, unless a violation of Applicable Requirements, or a Hazardous Substance Condition (see paragraph 9.1(e)) is found to exist or be imminent, or the inspection is requested or ordered by a governmental authority. In such case, Lessee shall upon request reimburse Lessor for the cost of such inspection, so long as such inspection is reasonably related to the violation or contamination. In addition, Lessee shall provide copies of all relevant material safety data sheets (**MSDS**) to Lessor within 10 days of the receipt of a written request therefor. Lessee acknowledges that any failure on its part to allow such inspections or testing will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, should the Lessee fail to allow such inspections and/or testing in a timely fashion the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or $100, whichever is greater for the remainder to the Lease. The Parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to allow such inspection and/or testing. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to such failure nor prevent the exercise of any of the other rights and remedies granted hereunder.

7. Maintenance; Repairs; Utility Installations; Trade Fixtures and Alterations.

7.1 **Lessee's Obligations**.

(a) **In General**. Subject to the provisions of Paragraph 2.2 (Condition), 2.3 (Compliance), 6.3 (Lessee's Compliance with Applicable Requirements), 7.2 (Lessor's Obligations), 9 (Damage or Destruction), and 14 (Condemnation), Lessee shall, at Lessee's sole expense, keep the interior of the Premises, Utility Installations (intended for Lessee's exclusive use, no matter where located), and Alterations in good order, condition and repair (whether or not the portion of the Premises requiring repairs, or the means of repairing the same, are reasonably or readily accessible to Lessee, and whether or not the need for such repairs occurs as a result of Lessee's use, any prior use, the elements or the age of such portion of the Premises), including, but not limited to, all equipment or facilities, such as plumbing, HVAC equipment, electrical, lighting facilities, boilers, pressure vessels, ~~fire protection system,~~ fixtures, walls (interior ~~and exterior~~), ~~foundations,~~ ceilings, ~~roofs, roof drainage systems,~~ floors, windows, doors, plate glass, skylights, ~~landscaping, driveways, parking lots, fences, retaining walls,~~ signs, ~~sidewalks and parkways~~ located in, on, or adjacent to the Premises. Lessee, in keeping such portions of the Premises in good order, condition and repair, shall exercise and perform good maintenance practices, specifically including the procurement and maintenance of the service contracts required by Paragraph 7.1(b) below. Lessee's obligations shall include restorations, replacements or renewals when necessary to keep the Premises and all improvements thereon or a part thereof in good order, condition and state of repair. ~~Lessee~~ Lessor shall, during the term of this Lease, keep the exterior appearance of the Building in a first-class condition (including, e.g. graffiti removal) consistent with the exterior appearance of other similar facilities of comparable age and size in the vicinity, including, when necessary, the exterior repainting of the Building.

(b) **Service Contracts**. Lessee shall, at Lessee's sole expense, procure and maintain contracts, with copies to Lessor, in customary form and substance for, and with contractors specializing and experienced in the maintenance of the following equipment and improvements, if any, if and when installed on the Premises: (i) HVAC equipment, (ii) boiler, and pressure vessels, (iii) fire extinguishing systems, including fire alarm and/or smoke detection, ~~(iv) landscaping and irrigation systems, (v) roof covering and drains,~~ and (vi) clarifiers. However, Lessor reserves the right, upon notice to Lessee, to procure and maintain any or all of such service contracts, and Lessee shall reimburse Lessor, upon demand, for the cost thereof.

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(c) **Failure to Perform**. If Lessee fails to perform Lessee's obligations under this Paragraph 7.1, Lessor may enter upon the Premises after 10 days' prior written notice to Lessee (except in the case of an emergency, in which case no notice shall be required), perform such obligations on Lessee's behalf, and put the Premises in good order, condition and repair, and Lessee shall promptly pay to Lessor a sum equal to 115% of the cost thereof.

(d) **Replacement**. Subject to Lessee's indemnification of Lessor as set forth in Paragraph 8.7 below, and without relieving Lessee of liability resulting from Lessee's failure to exercise and perform good maintenance practices, if an item described in Paragraph 7.1(b) cannot be repaired other than at a cost which is in excess of 50% of the cost of replacing such item, then such item shall be replaced by Lessor, and the cost thereof shall be prorated between the Parties and Lessee shall only be obligated to pay, each month during the remainder of the term of this Lease or any extension thereof, on the date on which Base Rent is due, an amount equal to the product of multiplying the cost of such replacement by a fraction, the numerator of which is one, and the denominator of which is 144 (i.e. 1/144th of the cost per month). Lessee shall pay Interest on the unamortized balance but may prepay its obligation at any time.

7 . 2 **Lessor's Obligations**. Subject to the provisions of Paragraphs 2.2 (Condition), 2.3 (Compliance), 9 (Damage or Destruction), ~~and~~ 14 (Condemnation), and Paragraphs 52-56 (Addendum), it is intended by the Parties hereto that Lessor have no obligation, in any manner whatsoever, to repair and maintain the interior of the Premises, or the equipment therein, all of which obligations are intended to be that of the Lessee. It is the intention of the Parties that the terms of this Lease govern the respective obligations of the Parties as to maintenance and repair of the Premises.

7.3 **Utility Installations; Trade Fixtures; Alterations**.

(a) **Definitions**. The term "**Utility Installations**" refers to all floor and window coverings, air and/or vacuum lines, power panels, electrical distribution, security ~~and fire protection~~ systems, communication cabling, lighting fixtures, HVAC equipment, plumbing, and fencing in or on the Premises. The term "**Trade Fixtures**" shall mean Lessee's machinery and equipment that can be removed without doing material damage to the Premises. The term "Alterations" shall mean any modification of the improvements, other than Utility Installations or Trade Fixtures, whether by addition or deletion. "**Lessee Owned Alterations and/or Utility Installations**" are defined as Alterations and/or Utility Installations made by Lessee that are not yet owned by Lessor pursuant to Paragraph 7.4(a).

(b) **Consent**. Lessee shall not make any Alterations or Utility Installations to the Premises without Lessor's prior written consent. Lessee may, however, make non-structural Alterations or Utility Installations to the interior of the Premises (excluding the roof) without such consent but upon notice to Lessor, as long as they are not visible from the outside, do not involve puncturing, relocating or removing the roof or any existing walls, will not affect the electrical, plumbing, HVAC, and/or life safety systems, do not trigger the requirement for additional modifications and/or improvements to the Premises resulting from Applicable Requirements, such as compliance with Title 24, and the cumulative cost thereof during this Lease as extended does not exceed a sum equal to 3 month's Base Rent in the aggregate or a sum equal to one month's Base Rent in any one year. Notwithstanding the foregoing, Lessee shall not make or permit any roof penetrations and/or install anything on the roof without the prior written approval of Lessor. Lessor may, as a precondition to granting such approval, require Lessee to utilize a contractor chosen and/or approved by Lessor. Any Alterations or Utility Installations that Lessee shall desire to make and which require the consent of the Lessor shall be presented to Lessor in written form with detailed plans. Consent shall be deemed conditioned upon Lessee's: (i) acquiring all applicable governmental permits, (ii) furnishing Lessor with copies of both the permits and the plans and specifications prior to commencement of the work, and (iii) compliance with all conditions of said permits and other Applicable Requirements in a prompt and expeditious manner. Any Alterations or Utility Installations shall be performed in a workmanlike manner with good and sufficient materials. Lessee shall promptly upon completion furnish Lessor with as-built plans and specifications. For work which costs an amount in excess of one month's Base Rent, Lessor may condition its consent upon Lessee providing a lien and completion bond in an amount equal to 150% of the estimated cost of such Alteration or Utility Installation and/or upon Lessee's posting an additional Security Deposit with Lessor.

(c) **Liens; Bonds**. Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use on the Premises, which claims are or may be secured by any mechanic's or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than 10 days notice prior to the commencement of any work in, on or about the Premises, and Lessor shall have the right to post notices of non-responsibility. If Lessee shall contest the validity of any such lien, claim or demand, then Lessee shall, at its sole expense defend and protect itself, Lessor and the Premises against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof. If Lessor shall require, Lessee shall furnish a surety bond in an amount equal to 150% of the amount of such contested lien, claim or demand, indemnifying Lessor against liability for the same. If Lessor elects to participate in any such action, Lessee shall pay Lessor's attorneys' fees and costs.

7.4 **Ownership; Removal; Surrender; and Restoration**.

(a) **Ownership**. Subject to Lessor's right to require removal or elect ownership as hereinafter provided, all Alterations and Utility Installations made by Lessee shall be the property of Lessee, but considered a part of the Premises. Lessor may, at any time, elect in writing to be the owner of all or any specified part of the Lessee Owned Alterations and Utility Installations. Unless otherwise instructed per paragraph 7.4(b) hereof, all Lessee Owned Alterations and Utility Installations shall, at the expiration or termination of this Lease, become the property of Lessor and be surrendered by Lessee with the Premises.

(b) **Removal**. By delivery to Lessee of written notice from Lessor not earlier than 90 and not later than 30 days prior to the end of the term of this Lease, Lessor may require that any or all Lessee Owned Alterations or Utility Installations be removed by the expiration or termination of this Lease. Lessor may require the removal at any time of all or any part of any Lessee Owned Alterations or Utility Installations made without the required consent.

(c) **Surrender; Restoration**. Lessee shall surrender the Premises by the Expiration Date or any earlier termination date, in the same condition as Lessee has previously agreed pursuant to the Agreement of Sublease between Verizon Smart Communities LLC, as Sublessor, and Lessee, as Sublessee, dated September ___, 2020, as subsequently amended, reasonable wear and tear and casualty excepted with all of the improvements, parts and surfaces thereof broom clean and free of debris, and in good operating order, condition and state of repair, ordinary wear and tear excepted. "Ordinary wear and tear" shall not include any damage or deterioration that would have been prevented by good maintenance practice. ~~Notwithstanding the foregoing and the provisions of Paragraph 7.1(a), if the Lessee occupies the Premises for 12 months or less, then Lessee shall surrender the Premises in the same condition as delivered to Lessee on the Start Date with NO allowance for ordinary wear and tear.~~ Lessee shall repair any damage occasioned by the

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installation, maintenance or removal of Trade Fixtures, Lessee owned Alterations and/or Utility Installations, furnishings, and equipment as well as the removal of any storage tank installed by or for Lessee. Lessee shall also completely remove from the Premises any and all Hazardous Substances brought onto the Premises by or for Lessee, or any ~~third party~~ of its agents or invitees (except Hazardous Substances which were deposited via underground migration from areas outside of the Premises) to the level specified in Applicable Requirements. Trade Fixtures shall remain the property of Lessee and shall be removed by Lessee. Any personal property of Lessee not removed on or before the Expiration Date or any earlier termination date shall be deemed to have been abandoned by Lessee and may be disposed of or retained by Lessor as Lessor may desire. The failure by Lessee to timely vacate the Premises pursuant to this Paragraph 7.4(c) without the express written consent of Lessor shall constitute a holdover under the provisions of Paragraph 26 below.

8. Insurance; Indemnity.

8.1 **Payment For Insurance**. Lessee shall pay for all insurance required under Paragraph 8 except to the extent of the cost attributable to liability insurance carried by Lessor under Paragraph 8.2(b) in excess of $2,000,000 per occurrence. Premiums for policy periods commencing prior to or extending beyond the Lease term shall be prorated to correspond to the Lease term. Payment shall be made by Lessee to Lessor within 10 days following receipt of an invoice.

8.2 **Liability Insurance**.

(a) **Carried by Lessee**. Lessee shall obtain and keep in force a Commercial General Liability policy of insurance protecting Lessee and Lessor as an additional insured against claims for bodily injury, personal injury and property damage based upon or arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be on an occurrence basis providing single limit coverage in an amount not less than $1,000,000 per occurrence with an annual aggregate of not less than $2,000,000. Lessee shall add Lessor as an additional insured by means of an endorsement at least as broad as the Insurance Service Organization's "Additional Insured-Managers or Lessors of Premises" Endorsement. The policy shall not contain any intra-insured exclusions as between insured persons or organizations, but shall include coverage for liability assumed under this Lease as an "**insured contract**" for the performance of Lessee's indemnity obligations under this Lease. The limits of said insurance shall not, however, limit the liability of Lessee nor relieve Lessee of any obligation hereunder. Lessee shall provide an endorsement on its liability policy(ies) which provides that its insurance shall be primary to and not contributory with any similar insurance carried by Lessor, whose insurance shall be considered excess insurance only.

(b) **Carried by Lessor**. Lessor shall maintain liability insurance as described in Paragraph 8.2(a), in addition to, and not in lieu of, the insurance required to be maintained by Lessee. Lessee shall not be named as an additional insured therein.

8.3 **Property Insurance - Building, Improvements and Rental Value**.

(a) **Building and Improvements**. The Insuring Party shall obtain and keep in force a policy or policies in the name of Lessor, with loss payable to Lessor, any ground-lessor, and to any Lender insuring loss or damage to the Premises. The amount of such insurance shall be equal to the full insurable replacement cost of the Premises, as the same shall exist from time to time, or the amount required by any Lender, but in no event more than the commercially reasonable and available insurable value thereof. Lessee Owned Alterations and Utility Installations, Trade Fixtures, and Lessee's personal property shall be insured by Lessee not by Lessor. If the coverage is available and commercially appropriate, such policy or policies shall insure against all risks of direct physical loss or damage (except the perils of flood and/or earthquake unless required by a Lender), including coverage for debris removal and the enforcement of any Applicable Requirements requiring the upgrading, demolition, reconstruction or replacement of any portion of the Premises as the result of a covered loss. Said policy or policies shall also contain an agreed valuation provision in lieu of any coinsurance clause, waiver of subrogation, and inflation guard protection causing an increase in the annual property insurance coverage amount by a factor of not less than the adjusted U.S. Department of Labor Consumer Price Index for All Urban Consumers for the city nearest to where the Premises are located. If such insurance coverage has a deductible clause, the deductible amount shall not exceed $5,000 per occurrence, and Lessee shall be liable for such deductible amount in the event of an Insured Loss.

(b) **Rental Value**. The Insuring Party shall obtain and keep in force a policy or policies in the name of Lessor with loss payable to Lessor and any Lender, insuring the loss of the full Rent for one year with an extended period of indemnity for an additional 180 days ("Rental Value insurance"). Said insurance shall contain an agreed valuation provision in lieu of any coinsurance clause, and the amount of coverage shall be adjusted annually to reflect the projected Rent otherwise payable by Lessee, for the next 12 month period. Lessee shall be liable for any deductible amount in the event of such loss.

(c) **Adjacent Premises**. If the Premises are part of a larger building, or of a group of buildings owned by Lessor which are adjacent to the Premises, the Lessee shall pay for any increase in the premiums for the property insurance of such building or buildings if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises.

8.4 **Lessee's Property; Business Interruption Insurance; Worker's Compensation Insurance**.

(a) **Property Damage**. Lessee shall obtain and maintain insurance coverage on all of Lessee's personal property, Trade Fixtures, and Lessee Owned Alterations and Utility Installations. Such insurance shall be full replacement cost coverage with a deductible of not to exceed $1,000 per occurrence. The proceeds from any such insurance shall be used by Lessee for the replacement of personal property, Trade Fixtures and Lessee Owned Alterations and Utility Installations.

(b) **Business Interruption**. Lessee shall obtain and maintain loss of income and extra expense insurance in amounts as will reimburse Lessee for direct or indirect loss of earnings attributable to all perils commonly insured against by prudent lessees in the business of Lessee or attributable to prevention of access to the Premises as a result of such perils.

(c) **Worker's Compensation Insurance**. Lessee shall obtain and maintain Worker's Compensation Insurance in such amount as may be required by Applicable Requirements. Such policy shall include a 'Waiver of Subrogation' endorsement. Lessee shall provide Lessor with a copy of such endorsement along with the certificate of insurance or copy of the policy required by paragraph 8.5.

(d) **No Representation of Adequate Coverage**. Lessor makes no representation that the limits or forms of coverage of insurance specified herein are adequate to cover Lessee's property, business operations or obligations under this Lease.

8.5 **Insurance Policies**. Insurance required herein shall be by companies maintaining during the policy term a "General Policyholders Rating" of at least A-, VII, as set forth in the most current issue of "Best's Insurance Guide", or such other rating as may be required by a Lender. Lessee shall not do or permit to be done anything which invalidates the required insurance policies. Lessee shall, prior to the Start

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Date, deliver to Lessor certified copies of policies of such insurance or certificates with copies of the required endorsements evidencing the existence and amounts of the required insurance. No such policy shall be cancelable or subject to modification except after 30 days prior written notice to Lessor. Lessee shall, at least 10 days prior to the expiration of such policies, furnish Lessor with evidence of renewals or "insurance binders" evidencing renewal thereof, or Lessor may increase his liability insurance coverage and charge the cost thereof to Lessee, which amount shall be payable by Lessee to Lessor upon demand. Such policies shall be for a term of at least one year, or the length of the remaining term of this Lease, whichever is less. If either Party shall fail to procure and maintain the insurance required to be carried by it, the other Party may, but shall not be required to, procure and maintain the same.

8.6 **Waiver of Subrogation**. Without affecting any other rights or remedies, Lessee and Lessor each hereby release and relieve the other, and waive their entire right to recover damages against the other, for loss of or damage to its property arising out of or incident to the perils required to be insured against herein. The effect of such releases and waivers is not limited by the amount of insurance carried or required, or by any deductibles applicable hereto. The Parties agree to have their respective property damage insurance carriers waive any right to subrogation that such companies may have against Lessor or Lessee, as the case may be, so long as the insurance is not invalidated thereby.

8.7 **Indemnity**. Except for Lessor's gross negligence or willful misconduct, Lessee shall indemnify, protect, defend and hold harmless the Premises, Lessor and its agents, Lessor's master or ground lessor, partners and Lenders, from and against any and all claims, loss of rents and/or damages, liens, judgments, penalties, attorneys' and consultants' fees, expenses and/or liabilities arising out of, involving, or in connection with, a Breach of the Lease by Lessee and/or the use and/or occupancy of the Premises and/or Project by Lessee and/or by Lessee's employees, contractors or invitees. If any action or proceeding is brought against Lessor by reason of any of the foregoing matters, Lessee shall upon notice defend the same at Lessee's expense by counsel reasonably satisfactory to Lessor and Lessor shall cooperate with Lessee in such defense. Lessor need not have first paid any such claim in order to be defended or indemnified.

8.8 **Exemption of Lessor and its Agents from Liability**. Notwithstanding the negligence or breach of this Lease by Lessor or its agents, neither Lessor nor its agents shall be liable under any circumstances for: (i) injury or damage to the person or goods, wares, merchandise or other property of Lessee, Lessee's employees, contractors, invitees, customers, or any other person in or about the Premises, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, indoor air quality, the presence of mold or from the breakage, leakage, obstruction or other defects of pipes, fire sprinklers, wires, appliances, plumbing, HVAC or lighting fixtures, or from any other cause, whether the said injury or damage results from conditions arising upon the Premises or upon other portions of the building of which the Premises are a part, or from other sources or places, (ii) any damages arising from any act or neglect of any other tenant of Lessor or from the failure of Lessor or its agents to enforce the provisions of any other lease in the Project, or (iii) injury to Lessee's business or for any loss of income or profit therefrom. Instead, it is intended that Lessee's sole recourse in the event of such damages or injury be to file a claim on the insurance policy(ies) that Lessee is required to maintain pursuant to the provisions of paragraph 8.

8.9 **Failure to Provide Insurance**. Lessee acknowledges that any failure on its part to obtain or maintain the insurance required herein will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, for any month or portion thereof that Lessee does not maintain the required insurance and/or does not provide Lessor with the required binders or certificates evidencing the existence of the required insurance, the Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or $100, whichever is greater. The parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to maintain the required insurance. Such increase in Base Rent shall in no event constitute a waiver of Lessee's Default or Breach with respect to the failure to maintain such insurance, prevent the exercise of any of the other rights and remedies granted hereunder, nor relieve Lessee of its obligation to maintain the insurance specified in this Lease.

9. Damage or Destruction.

9.1 **Definitions**.

(a) "**Premises Partial Damage**" shall mean damage or destruction to the improvements on the Premises, other than Lessee Owned Alterations and Utility Installations, which can reasonably be repaired in 6 months or less from the date of the damage or destruction. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(b) "**Premises Total Destruction**" shall mean damage or destruction to the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which cannot reasonably be repaired in 6 months or less from the date of the damage or destruction. Lessor shall notify Lessee in writing within 30 days from the date of the damage or destruction as to whether or not the damage is Partial or Total.

(c) "**Insured Loss**" shall mean damage or destruction to improvements on the Premises, other than Lessee Owned Alterations and Utility Installations and Trade Fixtures, which was caused by an event required to be covered by the insurance described in Paragraph 8.3(a), irrespective of any deductible amounts or coverage limits involved.

(d) "**Replacement Cost**" shall mean the cost to repair or rebuild the improvements owned by Lessor at the time of the occurrence to their condition existing immediately prior thereto, including demolition, debris removal and upgrading required by the operation of Applicable Requirements, and without deduction for depreciation.

(e) "**Hazardous Substance Condition**" shall mean the occurrence or discovery of a condition involving the presence of, or a contamination by, a Hazardous Substance, in, on, or under the Premises which requires restoration.

9.2 **Partial Damage - Insured Loss**. If a Premises Partial Damage that is an Insured Loss occurs, then Lessor shall, at Lessor's expense, repair such damage (but not Lessee's Trade Fixtures or Lessee Owned Alterations and Utility Installations) as soon as reasonably possible and this Lease shall continue in full force and effect; provided, however, that Lessee shall, at Lessor's election, make the repair of any damage or destruction the total cost to repair of which is $10,000 or less, and, in such event, Lessor shall make any applicable insurance proceeds available to Lessee on a reasonable basis for that purpose. Notwithstanding the foregoing, if the required insurance was not in force or the insurance proceeds are not sufficient to effect such repair, the Insuring Party shall promptly contribute the shortage in proceeds (except as to the deductible which is Lessee's responsibility) as and when required to complete said repairs. In the event, however, such shortage was due to the fact that, by reason of the unique nature of the improvements, full replacement cost insurance coverage was not commercially

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reasonable and available, Lessor shall have no obligation to pay for the shortage in insurance proceeds or to fully restore the unique aspects of the Premises unless Lessee provides Lessor with the funds to cover same, or adequate assurance thereof, within 10 days following receipt of written notice of such shortage and request therefor. If Lessor receives said funds or adequate assurance thereof within said 10 day period, the party responsible for making the repairs shall complete them as soon as reasonably possible and this Lease shall remain in full force and effect. If such funds or assurance are not received, Lessor may nevertheless elect by written notice to Lessee within 10 days thereafter to: (i) make such restoration and repair as is commercially reasonable with Lessor paying any shortage in proceeds, in which case this Lease shall remain in full force and effect, or (ii) have this Lease terminate 30 days thereafter. Lessee shall not be entitled to reimbursement of any funds contributed by Lessee to repair any such damage or destruction. Premises Partial Damage due to flood or earthquake shall be subject to Paragraph 9.3, notwithstanding that there may be some insurance coverage, but the net proceeds of any such insurance shall be made available for the repairs if made by either Party.

9.3 **Partial Damage - Uninsured Loss**. If a Premises Partial Damage that is not an Insured Loss occurs, unless caused by a negligent or willful act of Lessee (in which event Lessee shall make the repairs at Lessee's expense), Lessor may either: (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) terminate this Lease by giving written notice to Lessee within 30 days after receipt by Lessor of knowledge of the occurrence of such damage. Such termination shall be effective 60 days following the date of such notice. In the event Lessor elects to terminate this Lease, Lessee shall have the right within 10 days after receipt of the termination notice to give written notice to Lessor of Lessee's commitment to pay for the repair of such damage without reimbursement from Lessor. Lessee shall provide Lessor with said funds or satisfactory assurance thereof within 30 days after making such commitment. In such event this Lease shall continue in full force and effect, and Lessor shall proceed to make such repairs as soon as reasonably possible after the required funds are available. If Lessee does not make the required commitment, this Lease shall terminate as of the date specified in the termination notice.

9.4 **Total Destruction**. Notwithstanding any other provision hereof, if a Premises Total Destruction occurs, this Lease shall terminate 60 days following such Destruction. If the damage or destruction was caused by the gross negligence or willful misconduct of Lessee, Lessor shall have the right to recover Lessor's damages from Lessee, except as provided in Paragraph 8.6.

9.5 **Damage Near End of Term**. If at any time during the last 6 months of this Lease there is damage for which the cost to repair exceeds one month's Base Rent, whether or not an Insured Loss, Lessor may terminate this Lease effective 60 days following the date of occurrence of such damage by giving a written termination notice to Lessee within 30 days after the date of occurrence of such damage. Notwithstanding the foregoing, if Lessee at that time has an exercisable option to extend this Lease or to purchase the Premises, then Lessee may preserve this Lease by, (a) exercising such option and (b) providing Lessor with any shortage in insurance proceeds (or adequate assurance thereof) needed to make the repairs on or before the earlier of (i) the date which is 10 days after Lessee's receipt of Lessor's written notice purporting to terminate this Lease, or (ii) the day prior to the date upon which such option expires. If Lessee duly exercises such option during such period and provides Lessor with funds (or adequate assurance thereof) to cover any shortage in insurance proceeds, Lessor shall, at Lessor's commercially reasonable expense, repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect. If Lessee fails to exercise such option and provide such funds or assurance during such period, then this Lease shall terminate on the date specified in the termination notice and Lessee's option shall be extinguished.

9.6 **Abatement of Rent; Lessee's Remedies**.

(a) **Abatement**. In the event of Premises Partial Damage or Premises Total Destruction or a Hazardous Substance Condition for which Lessee is not responsible under this Lease, the Rent payable by Lessee for the period required for the repair, remediation or restoration of such damage shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired, but not to exceed the proceeds received from the Rental Value insurance. All other obligations of Lessee hereunder shall be performed by Lessee, and Lessor shall have no liability for any such damage, destruction, remediation, repair or restoration except as provided herein.

(b) **Remedies**. If Lessor is obligated to repair or restore the Premises and does not commence, in a substantial and meaningful way, such repair or restoration within 90 days after such obligation shall accrue, Lessee may, at any time prior to the commencement of such repair or restoration, give written notice to Lessor and to any Lenders of which Lessee has actual notice, of Lessee's election to terminate this Lease on a date not less than 60 days following the giving of such notice. If Lessee gives such notice and such repair or restoration is not commenced within 30 days thereafter, this Lease shall terminate as of the date specified in said notice. If the repair or restoration is commenced within such 30 days, this Lease shall continue in full force and effect. "Commence" shall mean either the unconditional authorization of the preparation of the required plans, or the beginning of the actual work on the Premises, whichever first occurs.

9.7 **Termination; Advance Payments**. Upon termination of this Lease pursuant to Paragraph 6.2(g) or Paragraph 9, an equitable adjustment shall be made concerning advance Base Rent and any other advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's Security Deposit as has not been, or is not then required to be, used by Lessor.

10. Real Property Taxes.

10.1 **Definition**. As used herein, the term "**Real Property Taxes**" shall include any form of assessment; real estate, general, special, ordinary or extraordinary, or rental levy or tax (other than inheritance, personal income or estate taxes); improvement bond; and/or license fee imposed upon or levied against any legal or equitable interest of Lessor in the Premises or the Project, Lessor's right to other income therefrom, and/or Lessor's business of leasing, by any authority having the direct or indirect power to tax and where the funds are generated with reference to the Building address. Real Property Taxes shall also include any tax, fee, levy, assessment or charge, or any increase therein: (i) imposed by reason of events occurring during the term of this Lease, including but not limited to, a change in the ownership of the Premises, and (ii) levied or assessed on machinery or equipment provided by Lessor to Lessee pursuant to this Lease.

10.2 **Payment of Taxes**. In addition to Base Rent, Lessee shall pay to Lessor an amount equal to the Real Property Tax installment due at least 20 days prior to the applicable delinquency date. If any such installment shall cover any period of time prior to or after the expiration or termination of this Lease, Lessee's share of such installment shall be prorated. In the event Lessee incurs a late charge on any Rent payment, Lessor may estimate the current Real Property Taxes, and require that such taxes be paid in advance to Lessor by Lessee monthly in advance with the payment of the Base Rent. Such monthly payments shall be an amount equal to the amount of the estimated installment of taxes divided by the number of months remaining before the month in which said installment becomes delinquent. When the actual amount of the applicable tax bill is known, the amount of such equal monthly advance payments shall be adjusted as required to

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provide the funds needed to pay the applicable taxes. If the amount collected by Lessor is insufficient to pay such Real Property Taxes when due, Lessee shall pay Lessor, upon demand, such additional sum as is necessary. Advance payments may be intermingled with other moneys of Lessor and shall not bear interest. In the event of a Breach by Lessee in the performance of its obligations under this Lease, then any such advance payments may be treated by Lessor as an additional Security Deposit.

10.3 **Joint Assessment**. If the Premises are not separately assessed, Lessee's liability shall be an equitable proportion of the Real Property Taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be conclusively determined by Lessor from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available.

10.4 **Personal Property Taxes**. Lessee shall pay, prior to delinquency, all taxes assessed against and levied upon Lessee Owned Alterations, Utility Installations, Trade Fixtures, furnishings, equipment and all personal property of Lessee. When possible, Lessee shall cause its Lessee Owned Alterations and Utility Installations, Trade Fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Lessor. If any of Lessee's said property shall be assessed with Lessor's real property, Lessee shall pay Lessor the taxes attributable to Lessee's property within 10 days after receipt of a written statement setting forth the taxes applicable to Lessee's property.

11. Utilities and Services.

11.1 Lessee shall pay for all water, gas, heat, light, power, telephone, trash disposal and other utilities and services supplied to the Premises, together with any taxes thereon. If any such services are not separately metered or billed to Lessee, Lessee shall pay a reasonable proportion, to be determined by Lessor, of all charges jointly metered or billed. There shall be no abatement of rent and Lessor shall not be liable in any respect whatsoever for the inadequacy, stoppage, interruption or discontinuance of any utility or service due to riot, strike, labor dispute, breakdown, accident, repair or other cause beyond Lessor's reasonable control or in cooperation with governmental requestor directions.

11.2 Within fifteen days of Lessor's written request, Lessee agrees to deliver to Lessor such information, documents and/or authorization as Lessor needs in order for Lessor to comply with new or existing Applicable Requirements relating to commercial building energy usage, ratings, and/or the reporting thereof.

12. Assignment and Subletting.

12.1 **Lessor's Consent Required**.

(a) Lessee shall not voluntarily or by operation of law assign, transfer, mortgage or encumber (collectively, "**assign or assignment**") or sublet all or any part of Lessee's interest in this Lease or in the Premises without Lessor's prior written consent.

(b) Unless Lessee is a corporation and its stock is publicly traded on a national stock exchange, a change in the control of Lessee shall constitute an assignment requiring consent. The transfer, on a cumulative basis, of ~~25~~50% or more of the voting control of Lessee shall constitute a change in control for this purpose.

(c) The involvement of Lessee or its assets in any transaction, or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buy-out or otherwise), whether or not a formal assignment or hypothecation of this Lease or Lessee's assets occurs, which results or will result in a reduction of the Net Worth of Lessee by an amount greater than 25% of such Net Worth as it was represented at the time of the execution of this Lease or at the time of the most recent assignment to which Lessor has consented, or as it exists immediately prior to said transaction or transactions constituting such reduction, whichever was or is greater, shall be considered an assignment of this Lease to which Lessor may withhold its consent. "**Net Worth of Lessee**" shall mean the net worth of Lessee ~~(excluding any guarantors)~~ established under generally accepted accounting principles.

(d) An assignment or subletting without consent shall, at Lessor's option, be a Default curable after notice per Paragraph 13.1(d), or a noncurable Breach without the necessity of any notice and grace period. If Lessor elects to treat such unapproved assignment or subletting as a noncurable Breach, Lessor may either: (i) terminate this Lease, or (ii) upon 30 days written notice, increase the monthly Base Rent to 110% of the Base Rent then in effect. Further, in the event of such Breach and rental adjustment, (i) the purchase price of any option to purchase the Premises held by Lessee shall be subject to similar adjustment to 110% of the price previously in effect, and (ii) all fixed and non-fixed rental adjustments scheduled during the remainder of the Lease term shall be increased to 110% of the scheduled adjusted rent.

(e) Lessee's remedy for any breach of Paragraph 12.1 by Lessor shall be limited to compensatory damages and/or injunctive relief.

(f) Lessor may reasonably withhold consent to a proposed assignment or subletting if Lessee is in Default at the time consent is requested.

(g) Notwithstanding the foregoing, allowing a de minimis portion of the Premises, ie. 20 square feet or less, to be used by a third party vendor in connection with the installation of a vending machine or payphone shall not constitute a subletting.

12.2 **Terms and Conditions Applicable to Assignment and Subletting**.

(a) Regardless of Lessor's consent, no assignment or subletting shall : (i) be effective without the express written assumption by such assignee or sublessee of the obligations of Lessee under this Lease, (ii) release Lessee of any obligations hereunder, or (iii) alter the primary liability of Lessee for the payment of Rent or for the performance of any other obligations to be performed by Lessee.

(b) Lessor may accept Rent or performance of Lessee's obligations from any person other than Lessee pending approval or disapproval of an assignment. Neither a delay in the approval or disapproval of such assignment nor the acceptance of Rent or performance shall constitute a waiver or estoppel of Lessor's right to exercise its remedies for Lessee's Default or Breach.

(c) Lessor's consent to any assignment or subletting shall not constitute a consent to any subsequent assignment or subletting.

(d) In the event of any Default or Breach by Lessee, Lessor may proceed directly against Lessee~~, any Guarantors~~ or anyone else responsible for the performance of Lessee's obligations under this Lease, including any assignee or sublessee, without first exhausting Lessor's remedies against any other person or entity responsible therefor to Lessor, or any security held by Lessor.

(e) Each request for consent to an assignment or subletting shall be in writing, accompanied by information relevant to Lessor's determination as to the financial and operational responsibility and appropriateness of the proposed assignee or sublessee, including but not limited to the intended use and/or required modification of the Premises, if any, together with a fee of $500 as consideration for Lessor's considering and processing said request. Lessee agrees to provide Lessor with such other or additional information and/or documentation as may be reasonably requested. (See also Paragraph 36)

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(f) Any assignee of, or sublessee under, this Lease shall, by reason of accepting such assignment, entering into such sublease, or entering into possession of the Premises or any portion thereof, be deemed to have assumed and agreed to conform and comply with each and every term, covenant, condition and obligation herein to be observed or performed by Lessee during the term of said assignment or sublease, other than such obligations as are contrary to or inconsistent with provisions of an assignment or sublease to which Lessor has specifically consented to in writing.

(g) Lessor's consent to any assignment or subletting shall not transfer to the assignee or sublessee any Option granted to the original Lessee by this Lease unless such transfer is specifically consented to by Lessor in writing. (See Paragraph 39.2)

(h) Notwithstanding the foregoing, Lessee may, without Lessor's prior written consent, sublet or assign the Lease to: (i) a subsidiary, affiliate, division or corporation controlled or under the common control with Lessee; (ii) a purchaser of substantially of all Lessee's capital stock or assets located in the Premises, provided that no transfer shall be effective until Lessee has notified Lessor of the name and contact information of the Sublessee or Assignee. For the purpose of the Lease, sale or transfer of Lessee's capital stock, including without limitation, a transfer in connection with the merger, consolidation or non-bankruptcy reorganization of Lessee and any sale through any public exchange, shall not be deemed an assignment, subletting, or any other transfer of the Lease or the Premises, provided that such capital stock remains outstanding.

12.3 **Additional Terms and Conditions Applicable to Subletting**. The following terms and conditions shall apply to any subletting by Lessee of all or any part of the Premises and shall be deemed included in all subleases under this Lease whether or not expressly incorporated therein:

(a) Lessee hereby assigns and transfers to Lessor all of Lessee's interest in all Rent payable on any sublease, and Lessor may collect such Rent and apply same toward Lessee's obligations under this Lease; provided, however, that until a Breach shall occur in the performance of Lessee's obligations, Lessee may collect said Rent. In the event that the amount collected by Lessor exceeds Lessee's then outstanding obligations any such excess shall be refunded to Lessee. Lessor shall not, by reason of the foregoing or any assignment of such sublease, nor by reason of the collection of Rent, be deemed liable to the sublessee for any failure of Lessee to perform and comply with any of Lessee's obligations to such sublessee. Lessee hereby irrevocably authorizes and directs any such sublessee, upon receipt of a written notice from Lessor stating that a Breach exists in the performance of Lessee's obligations under this Lease, to pay to Lessor all Rent due and to become due under the sublease. Sublessee shall rely upon any such notice from Lessor and shall pay all Rents to Lessor without any obligation or right to inquire as to whether such Breach exists, notwithstanding any claim from Lessee to the contrary.

(b) In the event of a Breach by Lessee, Lessor may, at its option, require sublessee to attorn to Lessor, in which event Lessor shall undertake the obligations of the sublessor under such sublease from the time of the exercise of said option to the expiration of such sublease; provided, however, Lessor shall not be liable for any prepaid rents or security deposit paid by such sublessee to such sublessor or for any prior Defaults or Breaches of such sublessor.

(c) Any matter requiring the consent of the sublessor under a sublease shall also require the consent of Lessor.

(d) No sublessee shall further assign or sublet all or any part of the Premises without Lessor's prior written consent.

(e) Lessor shall deliver a copy of any notice of Default or Breach by Lessee to the sublessee, who shall have the right to cure the Default of Lessee within the grace period, if any, specified in such notice. The sublessee shall have a right of reimbursement and offset from and against Lessee for any such Defaults cured by the sublessee.

13. Default; Breach; Remedies.

13.1 **Default; Breach**. A "**Default**" is defined as a failure by the Lessee to comply with or perform any of the terms, covenants, conditions or Rules and Regulations under this Lease. A "**Breach**" is defined as the occurrence of one or more of the following Defaults, and the failure of Lessee to cure such Default within any applicable grace period:

(a) The abandonment of the Premises; the vacating of the Premises prior to the expiration or termination of this Lease without providing a commercially reasonable level of security, or where the coverage of the property insurance described in Paragraph 8.3 is jeopardized as a result thereof, or without providing reasonable assurances to minimize potential vandalism; or failure to deliver to Lessor exclusive possession of the entire Premises in accordance herewith prior to the expiration or termination of this Lease.

(b) The failure of Lessee to make any payment of Rent or any Security Deposit required to be made by Lessee hereunder, whether to Lessor or to a third party, when due, to provide reasonable evidence of insurance or surety bond, or to fulfill any obligation under this Lease which endangers or threatens life or property, where such failure continues for a period of 3 business days following written notice to Lessee. THE ACCEPTANCE BY LESSOR OF A PARTIAL PAYMENT OF RENT OR SECURITY DEPOSIT SHALL NOT CONSTITUTE A WAIVER OF ANY OF LESSOR'S RIGHTS, INCLUDING LESSOR'S RIGHT TO RECOVER POSSESSION OF THE PREMISES.

(c) The failure of Lessee to allow Lessor and/or its agents access to the Premises or the commission of waste, act or acts constituting public or private nuisance, and/or an illegal activity on the Premises by Lessee, where such actions continue for a period of 3 business days following written notice to Lessee. In the event that Lessee commits waste, a nuisance or an illegal activity a second time then, the Lessor may elect to treat such conduct as a non-curable Breach rather than a Default.

(d) The failure by Lessee to provide (i) reasonable written evidence of compliance with Applicable Requirements, (ii) the service contracts, (iii) the rescission of an unauthorized assignment or subletting, (iv) an Estoppel Certificate or financial statements, (v) a requested subordination, ~~(vi) evidence concerning any guaranty and/or Guarantor,~~ (vii) any document requested under Paragraph 42, (viii) material safety data sheets (MSDS), or (ix) any other documentation or information which Lessor may reasonably require of Lessee under the terms of this Lease, where any such failure continues for a period of 10 days following written notice to Lessee.

(e) A Default by Lessee as to the terms, covenants, conditions or provisions of this Lease, or of the rules adopted under Paragraph 40 hereof, other than those described in subparagraphs 13.1(a), (b), (c) or (d), above, where such Default continues for a period of 30 days after written notice; provided, however, that if the nature of Lessee's Default is such that more than 30 days are reasonably required for its cure, then it shall not be deemed to be a Breach if Lessee commences such cure within said 30 day period and thereafter diligently prosecutes such cure to completion.

(f) The occurrence of any of the following events: (i) the making of any general arrangement or assignment for the benefit of creditors; (ii) becoming a "**debtor**" as defined in 11 U.S.C. § 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's

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assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within 30 days; provided, however, in the event that any provision of this subparagraph is contrary to any applicable law, such provision shall be of no force or effect, and not affect the validity of the remaining provisions.

(g) The discovery that any financial statement of Lessee or of any Guarantor given to Lessor was materially false.

(h) ~~If the performance of Lessee's obligations under this Lease is guaranteed: (i) the death of a Guarantor, (ii) the termination of a Guarantor's liability with respect to this Lease other than in accordance with the terms of such guaranty, (iii) a Guarantor's becoming insolvent or the subject of a bankruptcy filing, (iv) a Guarantor's refusal to honor the guaranty, or (v) a Guarantor's breach of its guaranty obligation on an anticipatory basis, and Lessee's failure, within 60 days following written notice of any such event, to provide written alternative assurance or security, which, when coupled with the then existing resources of Lessee, equals or exceeds the combined financial resources of Lessee and the Guarantors that existed at the time of execution of this Lease.~~

13.2 **Remedies**. If Lessee fails to perform any of its affirmative duties or obligations beyond any applicable notice and cure period, within 10 days after written notice (or in case of an emergency, without notice), Lessor may, at its option, perform such duty or obligation on Lessee's behalf, including but not limited to the obtaining of reasonably required bonds, insurance policies, or governmental licenses, permits or approvals. Lessee shall pay to Lessor an amount equal to 115% of the costs and expenses incurred by Lessor in such performance upon receipt of an invoice therefor. In the event of a Breach, Lessor may, with or without further notice or demand, and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such Breach:

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession to Lessor. In such event Lessor shall be entitled to recover from Lessee: (i) the unpaid Rent which had been earned at the time of termination; (ii) the worth at the time of award of the amount by which the unpaid rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that the Lessee proves could have been reasonably avoided; (iii) the worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss that the Lessee proves could be reasonably avoided; and (iv) any other amount necessary to compensate Lessor for all the detriment proximately caused by the Lessee's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom, including but not limited to the cost of recovering possession of the Premises, expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorneys' fees, and that portion of any leasing commission paid by Lessor in connection with this Lease applicable to the unexpired term of this Lease. The worth at the time of award of the amount referred to in provision (iii) of the immediately preceding sentence shall be computed by discounting such amount at the discount rate of the Federal Reserve Bank of the District within which the Premises are located at the time of award plus one percent. Efforts by Lessor to mitigate damages caused by Lessee's Breach of this Lease shall not waive Lessor's right to recover any damages to which Lessor is otherwise entitled. If termination of this Lease is obtained through the provisional remedy of unlawful detainer, Lessor shall have the right to recover in such proceeding any unpaid Rent and damages as are recoverable therein, or Lessor may reserve the right to recover all or any part thereof in a separate suit. If a notice and grace period required under Paragraph 13.1 was not previously given, a notice to pay rent or quit, or to perform or quit given to Lessee under the unlawful detainer statute shall also constitute the notice required by Paragraph 13.1. In such case, the applicable grace period required by Paragraph 13.1 and the unlawful detainer statute shall run concurrently, and the failure of Lessee to cure the Default within the greater of the two such grace periods shall constitute both an unlawful detainer and a Breach of this Lease entitling Lessor to the remedies provided for in this Lease and/or by said statute.

(b) Continue the Lease and Lessee's right to possession and recover the Rent as it becomes due, in which event Lessee may sublet or assign, subject only to reasonable limitations. Acts of maintenance, efforts to relet, and/or the appointment of a receiver to protect the Lessor's interests, shall not constitute a termination of the Lessee's right to possession.

(c) Pursue any other remedy now or hereafter available under the laws or judicial decisions of the state wherein the Premises are located. The expiration or termination of this Lease and/or the termination of Lessee's right to possession shall not relieve Lessee from liability under any indemnity provisions of this Lease as to matters occurring or accruing during the term hereof or by reason of Lessee's occupancy of the Premises.

13.3 **Inducement Recapture.** Any agreement for free or abated rent or other charges, the cost of tenant improvements for Lessee paid for or performed by Lessor, or for the giving or paying by Lessor to or for Lessee of any cash or other bonus, inducement or consideration for Lessee's entering into this Lease, all of which concessions are hereinafter referred to as "**Inducement Provisions**," shall be deemed conditioned upon Lessee's full and faithful performance of all of the terms, covenants and conditions of this Lease. Upon Breach of this Lease by Lessee, any such Inducement Provision shall automatically be deemed deleted from this Lease and of no further force or effect, and any rent, other charge, bonus, inducement or consideration theretofore abated, given or paid by Lessor under such an Inducement Provision shall be immediately due and payable by Lessee to Lessor, notwithstanding any subsequent cure of said Breach by Lessee. The acceptance by Lessor of rent or the cure of the Breach which initiated the operation of this paragraph shall not be deemed a waiver by Lessor of the provisions of this paragraph unless specifically so stated in writing by Lessor at the time of such acceptance.

13.4 **Late Charges**. Lessee hereby acknowledges that late payment by Lessee of Rent will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed upon Lessor by any Lender. Accordingly, if any Rent shall not be received by Lessor within 5 days after such amount shall be due, then, without any requirement for notice to Lessee, Lessee shall immediately pay to Lessor a one-time late charge equal to ~~10~~5% of each such overdue amount or $100, whichever is greater. The Parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of such late payment. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's Default or Breach with respect to such overdue amount, nor prevent the exercise of any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for 3 consecutive installments of Base Rent, then notwithstanding any provision of this Lease to the contrary, Base Rent shall, at Lessor's option, become due and payable quarterly in advance.

13.5 **Interest**. Any monetary payment due Lessor hereunder, other than late charges, not received by Lessor, when due shall bear interest from the 31st day after it was due. The interest ("**Interest**") charged shall be computed at the rate of 10% per annum but shall not exceed the maximum rate allowed by law. Interest is payable in addition to the potential late charge provided for in Paragraph 13.4.

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13.6 **Breach by Lessor**.

(a) **Notice of Breach**. Lessor shall not be deemed in breach of this Lease unless Lessor fails within a reasonable time to perform an obligation required to be performed by Lessor. For purposes of this Paragraph, a reasonable time shall in no event be less than 30 days after receipt by Lessor, and any Lender whose name and address shall have been furnished to Lessee in writing for such purpose, of written notice specifying wherein such obligation of Lessor has not been performed; provided, however, that if the nature of Lessor's obligation is such that more than 30 days are reasonably required for its performance, then Lessor shall not be in breach if performance is commenced within such 30 day period and thereafter diligently pursued to completion.

(b) **Performance by Lessee on Behalf of Lessor**. In the event that neither Lessor nor Lender cures said breach within 30 days after receipt of said notice, or if having commenced said cure they do not diligently pursue it to completion, then Lessee may elect to cure said breach at Lessee's expense and offset from Rent the actual and reasonable cost to perform such cure, provided however, that such offset shall not exceed an amount equal to the greater of one month's Base Rent or the Security Deposit, reserving Lessee's right to seek reimbursement from Lessor for any such expense in excess of such offset. Lessee shall document the cost of said cure and supply said documentation to Lessor.

14. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain or sold under the threat of the exercise of said power (collectively "**Condemnation**"), this Lease shall terminate as to the part taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the Building, or more than 25% of that portion of the Premises not occupied by any building, is taken by Condemnation, Lessee may, at Lessee's option, to be exercised in writing within 10 days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within 10 days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the Base Rent shall be reduced in proportion to the reduction in utility of the Premises caused by such Condemnation. Condemnation awards and/or payments shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold, the value of the part taken, or for severance damages; provided, however, that Lessee shall be entitled to any compensation paid by the condemnor for Lessee's relocation expenses, loss of business goodwill and/or Trade Fixtures, without regard to whether or not this Lease is terminated pursuant to the provisions of this Paragraph. All Alterations and Utility Installations made to the Premises by Lessee, for purposes of Condemnation only, shall be considered the property of the Lessee and Lessee shall be entitled to any and all compensation which is payable therefor. In the event that this Lease is not terminated by reason of the Condemnation, Lessor shall repair any damage to the Premises caused by such Condemnation.

15. Brokerage Fees.

~~15.1 **Additional Commission.** In addition to the payments owed pursuant to Paragraph 1.9 above, Lessor agrees that: (a) if Lessee exercises any Option, (b) if Lessee or anyone affiliated with Lessee acquires any rights to the Premises or other premises owned by Lessor and located within the same Project, if any, within which the Premises is located, (c) if Lessee remains in possession of the Premises, with the consent of Lessor, after the expiration of this Lease, or (d) if Base Rent is increased, whether by agreement or operation of an escalation clause herein, then, Lessor shall pay Brokers a fee in accordance with the fee schedule of the Brokers in effect at the time the Lease was executed. The provisions of this paragraph are intended to supersede the provisions of any earlier agreement to the contrary.~~

15.2 **Assumption of Obligations**. Any buyer or transferee of Lessor's interest in this Lease shall be deemed to have assumed Lessor's obligation hereunder. Brokers shall be third party beneficiaries of the provisions of Paragraphs 1.9, 15, 22 and 31. If Lessor fails to pay to Brokers any amounts due as and for brokerage fees pertaining to this Lease when due, then such amounts shall accrue Interest. In addition, if Lessor fails to pay any amounts to Lessee's Broker when due, Lessee's Broker may send written notice to Lessor and Lessee of such failure and if Lessor fails to pay such amounts within 10 days after said notice, Lessee shall pay said monies to its Broker and offset such amounts against Rent. In addition, Lessee's Broker shall be deemed to be a third party beneficiary of any commission agreement entered into by and/or between Lessor and Lessor's Broker for the limited purpose of collecting any brokerage fee owed.

15.3 **Representations and Indemnities of Broker Relationships**. Lessee and Lessor each represent and warrant to the other that it has had no dealings with any person, firm, broker, agent or finder (other than the Brokers and Agents, if any) in connection with this Lease, and that no one other than said named Brokers and Agents is entitled to any commission or finder's fee in connection herewith. Lessee and Lessor do each hereby agree to indemnify, protect, defend and hold the other harmless from and against liability for compensation or charges which may be claimed by any such unnamed broker, finder or other similar party by reason of any dealings or actions of the indemnifying Party, including any costs, expenses, attorneys' fees reasonably incurred with respect thereto.

16. Estoppel Certificates.

(a) Each Party (as "**Responding Party**") shall within 10 days after written notice from the other Party (the "**Requesting Party**") execute, acknowledge and deliver to the Requesting Party a statement in writing in form similar to the then most current "**Estoppel Certificate**" form published by AIR CRE, plus such additional information, confirmation and/or statements as may be reasonably requested by the Requesting Party.

(b) If the Responding Party shall fail to execute or deliver the Estoppel Certificate within such 10 day period, the Requesting Party may execute an Estoppel Certificate stating that: (i) the Lease is in full force and effect without modification except as may be represented by the Requesting Party, (ii) there are no uncured defaults in the Requesting Party's performance, and (iii) if Lessor is the Requesting Party, not more than one month's rent has been paid in advance. Prospective purchasers and encumbrancers may rely upon the Requesting Party's Estoppel Certificate, and the Responding Party shall be estopped from denying the truth of the facts contained in said Certificate. In addition, Lessee acknowledges that any failure on its part to provide such an Estoppel Certificate will expose Lessor to risks and potentially cause Lessor to incur costs not contemplated by this Lease, the extent of which will be extremely difficult to ascertain. Accordingly, should the Lessee fail to execute and/or deliver a requested Estoppel Certificate in a timely fashion the monthly Base Rent shall be automatically increased, without any requirement for notice to Lessee, by an amount equal to 10% of the then existing Base Rent or $100, whichever is greater for remainder of the Lease. The Parties agree that such increase in Base Rent represents fair and reasonable compensation for the additional risk/costs that Lessor will incur by reason of Lessee's failure to provide the Estoppel Certificate. Such increase in Base Rent shall in no event constitute a waiver of

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Lessee's Default or Breach with respect to the failure to provide the Estoppel Certificate nor prevent the exercise of any of the other rights and remedies granted hereunder.

(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee ~~and all Guarantors~~ shall within 10 days after written notice from Lessor deliver to any potential lender or purchaser designated by Lessor such financial statements as may be reasonably required by such lender or purchaser, including but not limited to Lessee's financial statements for the past 3 years. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. Definition of Lessor. The term "**Lessor**" as used herein shall mean the owner or owners at the time in question of the fee title to the Premises, or, if this is a sublease, of the Lessee's interest in the prior lease. In the event of a transfer of Lessor's title or interest in the Premises or this Lease, Lessor shall deliver to the transferee or assignee (in cash or by credit) any unused Security Deposit held by Lessor. Upon such transfer or assignment and delivery of the Security Deposit, as aforesaid, the prior Lessor shall be relieved of all liability with respect to the obligations and/or covenants under this Lease thereafter to be performed by the Lessor. Subject to the foregoing, the obligations and/or covenants in this Lease to be performed by the Lessor shall be binding only upon the Lessor as hereinabove defined.

18. Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. Days. Unless otherwise specifically indicated to the contrary, the word "**days**" as used in this Lease shall mean and refer to calendar days.

20. Limitation on Liability. The obligations of Lessor under this Lease shall not constitute personal obligations of Lessor, or its partners, members, directors, officers or shareholders, and the obligations of Lessee under this Lease shall not constitute personal obligations of Lessee, or its partners, members, directors, officers or shareholders, and Lessee shall look to the Premises, and to no other assets of Lessor, for the satisfaction of any liability of Lessor with respect to this Lease, and shall not seek recourse against Lessor's partners, members, directors, officers or shareholders, or any of their personal assets for such satisfaction.

21. Time of Essence. Time is of the essence with respect to the performance of all obligations to be performed or observed by the Parties under this Lease.

22. No Prior or Other Agreements; Broker Disclaimer. This Lease contains all agreements between the Parties with respect to any matter mentioned herein, and no other prior or contemporaneous agreement or understanding shall be effective. Lessor and Lessee each represents and warrants to the Brokers that it has made, and is relying solely upon, its own investigation as to the nature, quality, character and financial responsibility of the other Party to this Lease and as to the use, nature, quality and character of the Premises. Brokers have no responsibility with respect thereto or with respect to any default or breach hereof by either Party.

23. Notices.

23.1 **Notice Requirements**. All notices required or permitted by this Lease or applicable law shall be in writing and may be delivered in person (by hand or by courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, or by facsimile transmission, or by email, and shall be deemed sufficiently given if served in a manner specified in this Paragraph 23. The addresses noted adjacent to a Party's signature on this Lease shall be that Party's address for delivery or mailing of notices. Either Party may by written notice to the other specify a different address for notice, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice. A copy of all notices to Lessor shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate in writing.

23.2 **Date of Notice**. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail the notice shall be deemed given 72 hours after the same is addressed as required herein and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantees next day delivery shall be deemed given 24 hours after delivery of the same to the Postal Service or courier. Notices delivered by hand, or transmitted by facsimile transmission or by email shall be deemed delivered upon actual receipt. If notice is received on a Saturday, Sunday or legal holiday, it shall be deemed received on the next business day.

23.3 **Options.** Notwithstanding the foregoing, in order to exercise any Options (see paragraph 39), the Notice must be sent by Certified Mail (return receipt requested), Express Mail (signature required), courier (signature required) or some other methodology that provides a receipt establishing the date the notice was received by the Lessor.

24. Waivers.

(a) No waiver by Lessor of the Default or Breach of any term, covenant or condition hereof by Lessee, shall be deemed a waiver of any other term, covenant or condition hereof, or of any subsequent Default or Breach by Lessee of the same or of any other term, covenant or condition hereof. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to, or approval of, any subsequent or similar act by Lessee, or be construed as the basis of an estoppel to enforce the provision or provisions of this Lease requiring such consent.

(b) The acceptance of Rent by Lessor shall not be a waiver of any Default or Breach by Lessee. Any payment by Lessee may be accepted by Lessor on account of monies or damages due Lessor, notwithstanding any qualifying statements or conditions made by Lessee in connection therewith, which such statements and/or conditions shall be of no force or effect whatsoever unless specifically agreed to in writing by Lessor at or before the time of deposit of such payment.

(c) THE PARTIES AGREE THAT THE TERMS OF THIS LEASE SHALL GOVERN WITH REGARD TO ALL MATTERS RELATED THERETO AND HEREBY WAIVE THE PROVISIONS OF ANY PRESENT OR FUTURE STATUTE TO THE EXTENT THAT SUCH STATUTE IS INCONSISTENT WITH THIS LEASE.

/s/ Chen	/s/ A F
Chen	
INITIALS	INITIALS

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25. Disclosures Regarding The Nature of a Real Estate Agency Relationship.

(a) When entering into a discussion with a real estate agent regarding a real estate transaction, a Lessor or Lessee should from the outset understand what type of agency relationship or representation it has with the agent or agents in the transaction. Lessor and Lessee acknowledge being advised by the Brokers in this transaction, as follows:

(i) *Lessor's Agent*. A Lessor's agent under a listing agreement with the Lessor acts as the agent for the Lessor only. A Lessor's agent or subagent has the following affirmative obligations: *To the Lessor*: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessor. *To the Lessee and the Lessor*: (a) Diligent exercise of reasonable skills and care in performance of the agent's duties. (b) A duty of honest and fair dealing and good faith. (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(ii) *Lessee's Agent*. An agent can agree to act as agent for the Lessee only. In these situations, the agent is not the Lessor's agent, even if by agreement the agent may receive compensation for services rendered, either in full or in part from the Lessor. An agent acting only for a Lessee has the following affirmative obligations. *To the Lessee*: A fiduciary duty of utmost care, integrity, honesty, and loyalty in dealings with the Lessee. *To the Lessee and the Lessor*: (a) Diligent exercise of reasonable skills and care in performance of the agent's duties. (b) A duty of honest and fair dealing and good faith. (c) A duty to disclose all facts known to the agent materially affecting the value or desirability of the property that are not known to, or within the diligent attention and observation of, the Parties. An agent is not obligated to reveal to either Party any confidential information obtained from the other Party which does not involve the affirmative duties set forth above.

(iii) *Agent Representing Both Lessor and Lessee*. A real estate agent, either acting directly or through one or more associate licensees, can legally be the agent of both the Lessor and the Lessee in a transaction, but only with the knowledge and consent of both the Lessor and the Lessee. In a dual agency situation, the agent has the following affirmative obligations to both the Lessor and the Lessee: (a) A fiduciary duty of utmost care, integrity, honesty and loyalty in the dealings with either Lessor or the Lessee. (b) Other duties to the Lessor and the Lessee as stated above in subparagraphs (i) or (ii). In representing both Lessor and Lessee, the agent may not, without the express permission of the respective Party, disclose to the other Party confidential information, including, but not limited to, facts relating to either Lessee's or Lessor's financial position, motivations, bargaining position, or other personal information that may impact rent, including Lessor's willingness to accept a rent less than the listing rent or Lessee's willingness to pay rent greater than the rent offered. The above duties of the agent in a real estate transaction do not relieve a Lessor or Lessee from the responsibility to protect their own interests. Lessor and Lessee should carefully read all agreements to assure that they adequately express their understanding of the transaction. A real estate agent is a person qualified to advise about real estate. If legal or tax advice is desired, consult a competent professional. Both Lessor and Lessee should strongly consider obtaining tax advice from a competent professional because the federal and state tax consequences of a transaction can be complex and subject to change.

(b) Brokers have no responsibility with respect to any default or breach hereof by either Party. The Parties agree that no lawsuit or other legal proceeding involving any breach of duty, error or omission relating to this Lease may be brought against Broker more than one year after the Start Date and that the liability (including court costs and attorneys' fees), of any Broker with respect to any such lawsuit and/or legal proceeding shall not exceed the fee received by such Broker pursuant to this Lease; provided, however, that the foregoing limitation on each Broker's liability shall not be applicable to any gross negligence or willful misconduct of such Broker.

(c) Lessor and Lessee agree to identify to Brokers as "Confidential" any communication or information given Brokers that is considered by such Party to be confidential.

26. No Right To Holdover. Lessee has no right to retain possession of the Premises or any part thereof beyond the expiration or termination of this Lease. At or prior to the expiration or termination of this Lease Lessee shall deliver exclusive possession of the Premises to Lessor. For purposes of this provision and Paragraph 13.1(a), exclusive possession shall mean that Lessee shall have vacated the Premises, removed all of its personal property therefrom and that the Premises have been returned in the condition specified in this Lease. In the event that Lessee does not deliver exclusive possession to Lessor as specified above, then Lessor's damages during any holdover period shall be computed at the amount of the Rent (as defined in Paragraph 4.1) due during the last full month before the expiration or termination of this Lease (disregarding any temporary abatement of Rent that may have been in effect), but with Base Rent being 150% of the Base Rent payable during such last full month. Nothing contained herein shall be construed as consent by Lessor to any holding over by Lessee.

27. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. Covenants and Conditions; Construction of Agreement. All provisions of this Lease to be observed or performed by Lessee are both covenants and conditions. In construing this Lease, all headings and titles are for the convenience of the Parties only and shall not be considered a part of this Lease. Whenever required by the context, the singular shall include the plural and vice versa. This Lease shall not be construed as if prepared by one of the Parties, but rather according to its fair meaning as a whole, as if both Parties had prepared it.

29. Binding Effect; Choice of Law. This Lease shall be binding upon the Parties, their personal representatives, successors and assigns and be governed by the laws of the State in which the Premises are located. Any litigation between the Parties hereto concerning this Lease shall be initiated in the county in which the Premises are located. Signatures to this Lease accomplished by means of electronic signature or similar technology shall be legal and binding.

30. Subordination; Attornment; Non-Disturbance.

30.1 **Subordination**. This Lease and any Option granted hereby shall be subject and subordinate to any ground lease, mortgage, deed of trust, or other hypothecation or security device (collectively, "**Security Device**"), now or hereafter placed upon the Premises, to any and all advances made on the security thereof, and to all renewals, modifications, and extensions thereof. Lessee agrees that the holders of any such Security Devices (in this Lease together referred to as "**Lender**") shall have no liability or obligation to perform any of the obligations of Lessor under this Lease. Any Lender may elect to have this Lease and/or any Option granted hereby superior to the lien of its Security

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Device by giving written notice thereof to Lessee, whereupon this Lease and such Options shall be deemed prior to such Security Device, notwithstanding the relative dates of the documentation or recordation thereof.

30.2 **Attornment**. In the event that Lessor transfers title to the Premises, or the Premises are acquired by another upon the foreclosure or termination of a Security Device to which this Lease is subordinated (i) Lessee shall, subject to the non-disturbance provisions of Paragraph 30.3, attorn to such new owner, and upon request, enter into a new lease, containing all of the terms and provisions of this Lease, with such new owner for the remainder of the term hereof, or, at the election of the new owner, this Lease will automatically become a new lease between Lessee and such new owner, and (ii) Lessor shall thereafter be relieved of any further obligations hereunder and such new owner shall assume all of Lessor's obligations, except that such new owner shall not: (a) be liable for any act or omission of any prior lessor or with respect to events occurring prior to acquisition of ownership; (b) be subject to any offsets or defenses which Lessee might have against any prior lessor, (c) be bound by prepayment of more than one month's rent, or (d) be liable for the return of any security deposit paid to any prior lessor which was not paid or credited to such new owner.

30.3 **Non-Disturbance**. With respect to Security Devices entered into by Lessor after the execution of this Lease, Lessee's subordination of this Lease shall be subject to receiving a commercially reasonable non-disturbance agreement (a "**Non-Disturbance Agreement**") from the Lender which Non-Disturbance Agreement provides that Lessee's possession of the Premises, and this Lease, including any options to extend the term hereof, will not be disturbed so long as Lessee is not in Breach hereof and attorns to the record owner of the Premises. Further, within 60 days after the execution of this Lease, Lessor shall, if requested by Lessee, use its commercially reasonable efforts to obtain a Non-Disturbance Agreement from the holder of any pre-existing Security Device which is secured by the Premises. In the event that Lessor is unable to provide the Non-Disturbance Agreement within said 60 days, then Lessee may, at Lessee's option, directly contact Lender and attempt to negotiate for the execution and delivery of a Non-Disturbance Agreement.

30.4 **Self-Executing**. The agreements contained in this Paragraph 30 shall be effective without the execution of any further documents; provided, however, that, upon written request from Lessor or a Lender in connection with a sale, financing or refinancing of the Premises, Lessee and Lessor shall execute such further writings as may be reasonably required to separately document any subordination, attornment and/or Non-Disturbance Agreement provided for herein.

31. Attorneys' Fees. If any Party or Broker brings an action or proceeding involving the Premises whether founded in tort, contract or equity, or to declare rights hereunder, the Prevailing Party (as hereafter defined) in any such proceeding, action, or appeal thereon, shall be entitled to reasonable attorneys' fees. Such fees may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision or judgment. The term, "**Prevailing Party**" shall include, without limitation, a Party or Broker who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other Party or Broker of its claim or defense. The attorneys' fees award shall not be computed in accordance with any court fee schedule, but shall be such as to fully reimburse all attorneys' fees reasonably incurred. In addition, Lessor shall be entitled to attorneys' fees, costs and expenses incurred in the preparation and service of notices of Default and consultations in connection therewith, whether or not a legal action is subsequently commenced in connection with such Default or resulting Breach ($200 is a reasonable minimum per occurrence for such services and consultation).

32. Lessor's Access; Showing Premises; Repairs. Lessor and Lessor's agents shall have the right to enter the Premises at any time, in the case of an emergency, and otherwise at reasonable times after reasonable prior notice for the purpose of showing the same to prospective purchasers, lenders, or tenants, and making such alterations, repairs, improvements or additions to the Premises as Lessor may deem necessary or desirable and the erecting, using and maintaining of utilities, services, pipes and conduits through the Premises and/or other premises as long as there is no material adverse effect on Lessee's use of the Premises. All such activities shall be without abatement of rent or liability to Lessee.

33. Auctions. Lessee shall not conduct, nor permit to be conducted, any auction upon the Premises without Lessor's prior written consent. Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to permit an auction.

34. Signs. Lessor may place on the Premises ordinary "For Sale" signs at any time and ordinary "For Lease" signs during the last 6 months of the term hereof. Except for ordinary "for sublease" signs, Lessee shall not place any sign upon the Premises without Lessor's prior written consent. All signs must comply with all Applicable Requirements.

35. Termination; Merger. Unless specifically stated otherwise in writing by Lessor, the voluntary or other surrender of this Lease by Lessee, the mutual termination or cancellation hereof, or a termination hereof by Lessor for Breach by Lessee, shall automatically terminate any sublease or lesser estate in the Premises; provided, however, that Lessor may elect to continue any one or all existing subtenancies. Lessor's failure within 10 days following any such event to elect to the contrary by written notice to the holder of any such lesser interest, shall constitute Lessor's election to have such event constitute the termination of such interest.

36. Consents. All requests for consent shall be in writing. Except as otherwise provided herein, wherever in this Lease the consent of a Party is required to an act by or for the other Party, such consent shall not be unreasonably withheld or delayed. Lessor's actual reasonable costs and expenses (including but not limited to architects', attorneys', engineers' and other consultants' fees) incurred in the consideration of, or response to, a request by Lessee for any Lessor consent, including but not limited to consents to an assignment, a subletting or the presence or use of a Hazardous Substance, shall be paid by Lessee upon receipt of an invoice and supporting documentation therefor. Lessor's consent to any act, assignment or subletting shall not constitute an acknowledgment that no Default or Breach by Lessee of this Lease exists, nor shall such consent be deemed a waiver of any then existing Default or Breach, except as may be otherwise specifically stated in writing by Lessor at the time of such consent. The failure to specify herein any particular condition to Lessor's consent shall not preclude the imposition by Lessor at the time of consent of such further or other conditions as are then reasonable with reference to the particular matter for which consent is being given. In the event that either Party disagrees with any determination made by the other hereunder and reasonably requests the reasons for such determination, the determining party shall furnish its reasons in writing and in reasonable detail within 10 business days following such request.

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~~**37. Guarantor.**~~

~~37.1 **Execution.** The Guarantors, if any, shall each execute a guaranty in the form most recently published by AIR CRE, and each such Guarantor shall have the same obligations as Lessee under this Lease.~~

~~37.2 **Default.** It shall constitute a Default of the Lessee if any Guarantor fails or refuses, upon request to provide: (a) evidence of the execution of the guaranty, including the authority of the party signing on Guarantor's behalf to obligate Guarantor, and in the case of a corporate Guarantor, a certified copy of a resolution of its board of directors authorizing the making of such guaranty, (b) current financial statements, (c) an Estoppel Certificate, or (d) written confirmation that the guaranty is still in effect.~~

38. Quiet Possession. Subject to payment by Lessee of the Rent and performance of all of the covenants, conditions and provisions on Lessee's part to be observed and performed under this Lease, Lessee shall have quiet possession and quiet enjoyment of the Premises during the term hereof.

39. Options. If Lessee is granted any Option, as defined below, then the following provisions shall apply.

39.1 **Definition**. "**Option**" shall mean: (a) the right to extend or reduce the term of or renew this Lease or to extend or reduce the term of or renew any lease that Lessee has on other property of Lessor; (b) the right of first refusal or first offer to lease either the Premises or other property of Lessor; (c) the right to purchase, the right of first offer to purchase or the right of first refusal to purchase the Premises or other property of Lessor.

39.2 **Options Personal To Original Lessee**. Any Option granted to Lessee in this Lease is personal to the original Lessee, and cannot be assigned or exercised by anyone other than said original Lessee and only while the original Lessee is in full possession of the Premises and, if requested by Lessor, with Lessee certifying that Lessee has no intention of thereafter assigning or subletting.

39.3 **Multiple Options**. In the event that Lessee has any multiple Options to extend or renew this Lease, a later Option cannot be exercised unless the prior Options have been validly exercised.

39.4 **Effect of Default on Options**.

(a) Lessee shall have no right to exercise an Option: (i) during the period commencing with the giving of any notice of Default and continuing until said Default is cured, (ii) during the period of time any Rent is unpaid (without regard to whether notice thereof is given Lessee), (iii) during the time Lessee is in Breach of this Lease, or (iv) in the event that Lessee has been given 3 or more notices of separate Default, whether or not the Defaults are cured, during the 12 month period immediately preceding the exercise of the Option.

(b) The period of time within which an Option may be exercised shall not be extended or enlarged by reason of Lessee's inability to exercise an Option because of the provisions of Paragraph 39.4(a).

(c) An Option shall terminate and be of no further force or effect, notwithstanding Lessee's due and timely exercise of the Option, if, after such exercise and prior to the commencement of the extended term or completion of the purchase, (i) Lessee fails to pay Rent for a period of 30 days after such Rent becomes due (without any necessity of Lessor to give notice thereof), or (ii) if Lessee commits a Breach of this Lease.

40. Multiple Buildings. If the Premises are a part of a group of buildings controlled by Lessor, Lessee agrees that it will abide by and conform to all reasonable rules and regulations which Lessor may make from time to time for the management, safety, and care of said properties, including the care and cleanliness of the grounds and including the parking, loading and unloading of vehicles, and to cause its employees, suppliers, shippers, customers, contractors and invitees to so abide and conform. Lessee also agrees to pay its fair share of common expenses incurred in connection with such rules and regulations.

41. Security Measures. Lessee hereby acknowledges that the Rent payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of the Premises, Lessee, its agents and invitees and their property from the acts of third parties.

42. Reservations. Lessor reserves to itself the right, from time to time, to grant, without the consent or joinder of Lessee, such easements, rights and dedications that Lessor deems necessary, and to cause the recordation of parcel maps and restrictions, so long as such easements, rights, dedications, maps and restrictions do not unreasonably interfere with the use of the Premises by Lessee. Lessee agrees to sign any documents reasonably requested by Lessor to effectuate any such easement rights, dedication, map or restrictions.

43. Performance Under Protest. If at any time a dispute shall arise as to any amount or sum of money to be paid by one Party to the other under the provisions hereof, the Party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment and there shall survive the right on the part of said Party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said Party to pay such sum or any part thereof, said Party shall be entitled to recover such sum or so much thereof as it was not legally required to pay. A Party who does not initiate suit for the recovery of sums paid "under protest" within 6 months shall be deemed to have waived its right to protest such payment.

44. Authority; Multiple Parties; Execution.

(a) If either Party hereto is a corporation, trust, limited liability company, partnership, or similar entity, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on its behalf. Each Party shall, within 30 days after request, deliver to the other Party satisfactory evidence of such authority.

(b) If this Lease is executed by more than one person or entity as "Lessee", each such person or entity shall be jointly and severally liable hereunder. It is agreed that any one of the named Lessees shall be empowered to execute any amendment to this Lease, or other document ancillary thereto and bind all of the named Lessees, and Lessor may rely on the same as if all of the named Lessees had executed such document.

(c) This Lease may be executed by the Parties in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

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45. Conflict. Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

46. Offer. Preparation of this Lease by either Party or their agent and submission of same to the other Party shall not be deemed an offer to lease to the other Party. This Lease is not intended to be binding until executed and delivered by all Parties hereto.

47. Amendments. This Lease may be modified only in writing, signed by the Parties in interest at the time of the modification. As long as they do not materially change Lessee's obligations hereunder, Lessee agrees to make such reasonable non-monetary modifications to this Lease as may be reasonably required by a Lender in connection with the obtaining of normal financing or refinancing of the Premises.

48. Waiver of Jury Trial. THE PARTIES HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING INVOLVING THE PROPERTY OR ARISING OUT OF THIS LEASE.

49. Arbitration of Disputes. An Addendum requiring the Arbitration of all disputes between the Parties and/or Brokers arising out of this Lease ☐ is ☑ is not attached to this Lease.

50. Accessibility; Americans with Disabilities Act.

(a) The Premises:

☑ have not undergone an inspection by a Certified Access Specialist (CASp). Note: A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

☐ have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises met all applicable construction-related accessibility standards pursuant to California Civil Code §55.51 et seq. Lessee acknowledges that it received a copy of the inspection report at least 48 hours prior to executing this Lease and agrees to keep such report confidential.

☐ have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises did not meet all applicable construction-related accessibility standards pursuant to California Civil Code §55.51 et seq. Lessee acknowledges that it received a copy of the inspection report at least 48 hours prior to executing this Lease and agrees to keep such report confidential except as necessary to complete repairs and corrections of violations of construction related accessibility standards.

In the event that the Premises have been issued an inspection report by a CASp the Lessor shall provide a copy of the disability access inspection certificate to Lessee within 7 days of the execution of this Lease.

(b) Since compliance with the Americans with Disabilities Act (ADA) and other state and local accessibility statutes are dependent upon Lessee's ~~specific~~ use of the Premises, Lessor makes no warranty or representation as to whether or not the Premises comply with ADA or any similar legislation. In the event that Lessee's use of the Premises requires modifications or additions to the Premises in order to be in compliance with ADA or other accessibility statutes, Lessee agrees to make any such necessary modifications and/or additions at Lessee's expense.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN, AND BY THE EXECUTION OF THIS LEASE SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALLY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

/s/ Chen	/s/ A F
Chen	
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ATTENTION: NO REPRESENTATION OR RECOMMENDATION IS MADE BY AIR CRE OR BY ANY BROKER AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION TO WHICH IT RELATES. THE PARTIES ARE URGED TO:

1. SEEK ADVICE OF COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.

2. RETAIN APPROPRIATE CONSULTANTS TO REVIEW AND INVESTIGATE THE CONDITION OF THE PREMISES. SAID INVESTIGATION SHOULD INCLUDE BUT NOT BE LIMITED TO: THE POSSIBLE PRESENCE OF HAZARDOUS SUBSTANCES, THE ZONING OF THE PREMISES, THE STRUCTURAL INTEGRITY, THE CONDITION OF THE ROOF AND OPERATING SYSTEMS, AND THE SUITABILITY OF THE PREMISES FOR LESSEE'S INTENDED USE.

WARNING: IF THE PREMISES ARE LOCATED IN A STATE OTHER THAN CALIFORNIA, CERTAIN PROVISIONS OF THE LEASE MAY NEED TO BE REVISED TO COMPLY WITH THE LAWS OF THE STATE IN WHICH THE PREMISES ARE LOCATED.

The parties hereto have executed this Lease at the place and on the dates specified above their respective signatures.

Executed at: _____
On: Feb 7, 2022

By LESSOR:
Xinbei Tech, Inc., a California corporation

By: /s/ Te-Ning Chen
Name Printed: Te-Ning Chen
Title: President
Phone: _____
Fax: _____
Email: [***]

By: _____
Name Printed: _____
Title: _____
Phone: _____
Fax: _____
Email: _____

Address: _____
Federal ID No.: _____

BROKER

Cushman & Wakefield U.S., Inc.

Attn: Tenny Tsai
Title: Senior Managing Director

Address: [***]
Phone: [***]
Fax: [***]
Email: [***]
Federal ID No.: [***]
Broker DRE License #: 01880493
Agent DRE License #: 00966186

Executed at: 50 Adair Lane Portola Valley CA 94028
On: Jan 31, 2022

By LESSEE:
Cerebras Systems, Inc., a Delaware corporation

By: /s/ Andrew Feldman
Name Printed: Andrew Feldman
Title: CEO
Phone: [***]
Fax: _____
Email: [***]

By: _____
Name Printed: _____
Title: _____
Phone: _____
Fax: _____
Email: _____

Address: _____
Federal ID No.: _____

BROKER

S5 Advisory

Attn: Sushma Malhotra
Title: Executive Managing Director

Address: [***]
Phone: [***]
Fax: [***]
Email: [***]
Federal ID No.: _____
Broker DRE License #: 01917419
Agent DRE License #: 01459988

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/s/ Chen
Chen
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/s/ A F
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Addendum to AIRCRE Lease entitled Standard Industrial/Commercial Single-Tenant Lease – Net by and between Xinbei Tech Inc., a California corporation ("Lessor"), and Cerebras Systems, Inc., a Delaware corporation ("Lessee"), dated January 27, 2022.

In the event of any conflict between the provisions of this Addendum and the printed provisions of the Lease, this Addendum shall control.

51. The Premises, the building on which the Premises are located, and the land on which the building are located are owned by Lessor. Lessor currently leases the Premises to Verizon Smart Communities LLC, a Delaware limited liability company ("Verizon"), and Lessee currently subleases the Premises from Verizon. The lease to Verizon and the sublease from Verizon to Lessee is scheduled to expire on November 30, 2022. It is the intent of the parties to continue Lessee's occupancy of the Premises in a manner and on the terms similar to that which existed when Verizon was the Sublessor and Lessee was the Sublessee, unless the provisions of this Lease expressly provide otherwise.

52. Notwithstanding the provisions of paragraph 7.1 of the Lease, and subject to any damage or destruction caused by Lessee, its employees, contractors and invitees, further subject to Lessee's payment of the Operating Expenses, (1) Lessor, as part of the Operating Expenses, shall be responsible for the operation, maintenance, repair and replacement of the roof membrane, roof drainage systems, fire protection systems, landscaping, driveways, parking lots, fences, retaining walls, and walkways, and (2) Lessor, at Lessor's cost, shall be responsible for the operation, maintenance, repair and replacement of the building structure, load bearing walls and foundations. Notwithstanding anything in the Lease to the contrary, any capital repairs or capital replacements required under Paragraph 7.1 of the Lease shall be made by Lessor and amortized on a straight line basis over twelve years as an Operating Expense.

53. Pursuant to paragraph 7.1(b) of the Lease, Lessor shall procure and maintain the service contracts relating to the obligations of Lessor under paragraph 52, above.

54. Operating Expense Payments. During each month of the term, on the same date that the Base Rent is due, Lessee shall pay to Lessor and amount equal to 1/12th of the annual cost, as reasonably estimated by Lessor from time to time, of the Operating Expenses for the Premises, including the land, the building and other improvements (e.g., parking areas) thereon. Payments thereof for any partial calendar months shall be prorated in the same manner that Base Rent is prorated.

55. Operating Expenses means all costs and expenses incurred by Lessor with respect to the ownership, maintenance, and operation of the Premises during the lease term, including (1) (a) all taxes, assessments and governmental charges (collectively, "Taxes") that accrue against the Premises, or any portion thereof, including any alterations or improvements thereto, (b) all Taxes that accrue against Lessee's persona property in or on the Premises, (c) any costs to contest the amount, validity or application of any Taxes against Lessor, or liens resulting therefrom, (d) all capital levies or other Taxes assessed or imposed on Lessor, on the Rent payable to Lessor, and (e) any franchise, excise, use, margin, transaction, sales or privilege tax, assessment, charge or levy measured by or based, in whole or in part, on the Rent, or any portion thereof, provided, that Taxes shall not include any net income taxes imposed upon Lessor unless such net income taxes are in substitution for any Taxes payable under this Lease; (2) all insurance obtained by Lessor under this Lease, including property, liability and all other coverages deemed reasonable by Lessor; (3) utilities not paid by Lessee; (4) management fees, not to exceed 3% of the Base Rent to be paid by Lessee, and (5) maintenance, repair and replacement of any portion of the Premises, including any

improvements and alterations thereon, paving, parking, driveways, nonstructural roof components, roof membrane, mowing, landscaping, exterior painting, window washing, utility lines, fire protection systems, HVAC systems and other mechanical and building systems not paid by Lessee, security services, if any, trash collection, sweeping and removal, and additions or alterations made by Lessor to comply with Applicable Requirements or that are appropriate to the continued operation of the Premises for its intended use, provided that the cost of any capital repairs, replacements, additions or alterations shall be amortized on a straight line basis over twelve years. Notwithstanding the foregoing, Operating Expenses shall not include (a) those items set forth in paragraph 52(2), above; (b) depreciation or deductibles; (c) debt service; (d) costs of repairs to the extent Lessor is reimbursed by insurance or condemnation proceeds or warranties; (e) costs of leasing space in the Building, including brokerage commissions, lease concessions, rental abatements and construction allowances; (f) costs of selling, financing or refinancing the Building; (g) fines, penalties or interest resulting from late payment of Taxes or Operating Expenses, unless caused by Lessee's failure to make the payments required under this Lease; (h) organizational expenses of creating or operating the entity that constitutes Lessor; (i) reserves; (j) capital improvements other than those required by law or made to keep the Premises in good condition as required by the Lease; or (k) damages paid to Lessee hereunder.

If Lessee's total payments of Operating Expenses for any calendar year are less than the actual amount of Operating Expenses for such year, the Lessee shall pay the difference to Lessor within 30 days after demand therefor from Lessor; but if Lessee's total payments are more, Lessor shall refund the excess to Lessee within 30 days after such amount is determined. The estimated Operating Expenses set forth in this Lease are only estimates, and Lessor makes no guaranty or warranty that such estimates are exact. Lessee or its authorized representatives shall have the right at any time within sixty (60) days after Lessor provides an annual statement of actual Operating Expenses to Lessee (or within thirty (30) days thereafter if Lessor fails to timely provide such statement) to audit the books, records and papers of Lessor relating to Operating Expenses, and shall have the right to make copies thereof, and if Operating Expenses are found by Lessee to be overstated for any year, and Lessor agrees, Lessor shall, within thirty (30) days after demand, pay the overage to Lessee, and if overstated by more than 5%, Lessee's reasonable costs of such audit.

56. Improvements. Upon the execution of this Lease, Lessor shall install, subject to applicable laws, 6 charging stations to charge electric vehicles in a location to be reasonably determined by Lessor in the parking area for the Premises, for Lessee's exclusive use. The installation of such stations shall be at Lessor's sole cost and expense, but may also reduce the number of parking spaces available for general use. The foregoing improvements shall belong to Lessor and the operation, repair and/or replacement, and maintenance of such improvements shall be included in Operating Expenses.

57. Condition of Premises. Lessor and Lessee shall walk through the Premises to determine the condition of the Premises (1) thirty (30) days prior to the expiration of this Lease, and (2) one (1) day prior to such expiration date to determine the condition of the Premises. Lessor shall at those times indicate to Lessee whether the Premises are in the condition required by this Lease.

58. Paragraph 50(b) of the Lease is subject to the same terms and conditions as Paragraph 2.3(c) of the Lease.

AIR CRE contracts

First AMENDMENT TO LEASE

THIS AMENDMENT TO LEASE is made and entered into as of June 2, 2023, by and between Xinbei Tech, Inc., a California corporation ("Lessor") and Cerebras Systems, Inc., a Delaware corporation ("Lessee").

WHEREAS, on or about January 27, 2022 a Lease was entered into by and between Lessor and Lessee relating to certain real property commonly known as (street address, city, state, zip): 1237 E, Arques Avenue, Sunnyvale, California 94085 (the "Premises"), and

WHEREAS, Lessor and Lessee ☐ have have not previously amended said Lease, and

WHEREAS, the Lessor and Lessee now desire to amend said Lease,

NOW, THEREFORE, for payment of TEN DOLLARS and other good and valuable consideration to Lessor, the receipt and sufficiency of which is hereby acknowledged, the parties mutually agree to make the following additions and modifications to the Lease:

TERM: The Expiration Date is hereby □ advanced extended to November 30, 2024.

☐ AGREED USE: The Agreed Use is hereby modified to:.

BASE RENT ADJUSTMENT: Monthly Base Rent shall be as follows: Beginning of December 1, 2023 through November 30, 2024. The monthly base rent shall be $2.48/sq.ft. or $170,147.84. Estimated NNN expenses currently is about $.69 per square foot.

OTHER: Leasing commission per separate agreement. There shall not be any option to renew at the end of renewal period. Unless an extension with the terms and conditions mutually agreed between Landlord and Tenant.

This Amendment shall not be construed against the party preparing it, but shall be construed as if all parties jointly prepared this Amendment and any uncertainty and ambiguity shall not be interpreted against any one party. Signatures to this Amendment accomplished by means of electronic signature or similar technology shall be legal and binding.

All other terms and conditions of this Lease shall remain unchanged and shall continue in full force and effect except as specifically amended herein.

EXECUTED as of the day and year first above written.

By Lessor:
Xinbei Tech, Inc., a California corporation

By: /s/ Te-Ning Chen
Name Printed: Te-Ning Chen
Title: President
Phone:
Fax:
Email: [***]

By:
Name Printed:
Title:
Phone:
Fax:
Email:

Address:
Federal ID No.:

By Lessor:
Cerebras Systems, Inc., a Delaware corporation

By: /s/ Andrew Feldman
Name Printed: Andrew Feldman
Title: CEO
Phone:
Fax:
Email: [***]

By:
Name Printed:
Title:
Phone:
Fax:
Email:

Address:
Federal ID No.:

AIR CRE * https://www.aircre.com * 213-687-8777 * contracts@aircre.com
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/s/ TNC
INITIALS

/s/ CSICAF
INITIALS

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Exhibit 10.3

AIRCRE contracts

SECOND AMENDMENT TO LEASE

THIS SECOND AMENDMENT TO LEASE is made and entered into as of June 4, 2024, by and between Xinbei Tech, Inc., a California corporation ("Lessor") and Cerebras Systems, Inc., a Delaware corporation ("Lessee").

WHEREAS, on or about January 27, 2022, a Lease was entered into by and between Lessor and Lessee relating to certain real property commonly known as (street address, city, state, zip): **1237 E., Arques Avenue, Sunnyvale, California 94085** (the "Premises"), and on June 2, 2023, a First Amendment to Lease was entered into between Lessor and Lessee. The foregoing Lease and the First Amendment to Lease are hereafter referred to as the "Lease".

WHEREAS, Lessor and Lessee now desire to amend the Lease,

NOW, THEREFORE, for good and valuable consideration to Lessor and Lessee, the receipt and sufficiency of which are hereby acknowledged, the Lessor and Lessee agree to further amend the Lease as set forth below:

TERM: The Expiration Date is hereby extended from December 1, 2024, to November 30, 2027.

BASE RENT ADJUSTMENT: Monthly Base Rent shall be as follows:
Beginning on December 1, 2024, through November 30, 2026, the Monthly Base Rent shall be $156,426.24, but the Monthly Base Rent due on December 1, 2024, for December 2024, shall be abated so long as Lessee is not in breach under this Lease prior to December 1, 2024.

Beginning on December 1, 2026, through November 30, 2027, the Monthly Base Rent shall be 161,119.03.

The estimated Operating Expenses currently are about $.69 per rentable square foot of the Premises.

OTHER: Lessor shall pay (1) to S5 Advisory, a leasing commission and (2) to Cushman &Wakefield (C&W), a commission pursuant per separate agreement between Lessor and S5 Advisory, and Lessor and Cushman & Wakefield, respectively. Lessee shall have no further option to extend the term of this Lease.

Lessor shall provide Lessee an improvement allowance as follows*:

Work	Allowance
Reseal the asphalt parking lot:	Up to $88,700
Repair kitchen floor damaged by seeping underground water:	Up to $79,825
Replace hand free faucets in all bathrooms**:	Up to $11,000
Add 6 additional EV chargers with Chargelink and replace existing 6 Chargepoint chargers with Chargelink.	Up to $80,000
Replace current HVAC control system to Pelican Control System:	Up to $34,000

* Lessee must provide to Lessor the bids and names of each proposed contractor prior to committing to such contractor and Lessor shall have the right (1) to reasonably approve such contractor, or (2) to substitute its own contractor for any contractor proposed by Lessee, provided that (2) the cost does not increase as a result of such substitution, and (b) Lessee has reasonably approved the contractor proposed by Lessor). Approval or disapproval of a contractor must occur within four weeks after one party submits the name of a contractor to the other. The foregoing allowances shall only be valid if Lessee provides bids and names of contractors during the period from the execution of this Lease until June 30, 2025. Payment of any allowance to Lessee shall be made within 30 days after lien-free completion, Lessor's reasonable approval of the work performed, and evidence of payment by Lessee, if applicable. Lessor shall also have the right to pay Lessee's contractor directly.

**Lessee shall have the right to replace such faucets itself, without a contractor, provided it does so in the equivalent manner of a licensed contractor and comply with applicable law.

This Second Amendment shall not be construed against the party preparing it, but shall be construed as if all parties jointly prepared this Second Amendment and any uncertainty and ambiguity shall not be interpreted against any one party. Signatures to this Second Amendment accomplished by means of electronic signature or similar technology shall be legal and binding.

All other terms and conditions of this Lease shall remain unchanged and shall continue in full force and effect except as specifically amended herein.

EXECUTED as of the day and year first above written.

By Lessor:

Xinbei Tech, Inc., a California corporation

By: /s/ Te-Ning Chen

Name Printed: Te-Ning Chen

Title: President

Phone:

Fax:

Email: [***]

Federal ID No.:

By Lessee:

Cerebras Systems, Inc., a Delaware corporation

By: /s/ Andrew Feldman

Name Printed: Andrew Feldman

Title: CEO

Phone: [***]

Fax:

Email: [***]

Federal ID No.:

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CEREBRAS SYSTEMS INC.

2016 EQUITY INCENTIVE PLAN

As Adopted on May 5, 2016 and Amended on January 23, 2017, June 20, 2017, July 5, 2017, July 17, 2018,

May 14, 2019, September 10, 2019, November 25, 2019, May 18, 2021,

November 16, 2021, June 29, 2022, February 14, 2023, September 25, 2023

and January 16, 2024

1. PURPOSE. The purpose of this Plan is to provide incentives to attract, retain and motivate eligible persons whose present and potential contributions are important to the success of the Company, its Parent and Subsidiaries by offering eligible persons an opportunity to participate in the Company's future performance through the grant of Awards covering Shares. Capitalized terms not defined in the text are defined in Section 14 hereof. Although this Plan is intended to be a written compensatory benefit plan within the meaning of Rule 701, grants may be made pursuant to this Plan that do not qualify for exemption under Rule 701 or Section 25102(o). Any requirement of this Plan that is required in law only because of Section 25102(o) need not apply if the Committee so provides.

2. SHARES SUBJECT TO THE PLAN.

2.1 Number of Shares Available. Subject to Sections 2.2 and 11 hereof, the total number of Shares reserved and available for grant and issuance pursuant to this Plan will be 59,711,838 Shares. Subject to Sections 2.2 and 11 hereof, (A) in the event that Shares previously issued under the Plan; (B) in the event that Shares that otherwise would have been issuable under the Plan are withheld by7 the Company in payment of the Purchase Price, Exercise Price or withholding obligations, such Shares shall remain available for issuance under the Plan; and (C) in the event that an outstanding Option, Restricted Stock Unit of SAR for any reason expires or is cancelled, forfeited or terminated, the Shares allocable to the unexercised or unsettled portion of such Option Restricted Stock Unit of SAR, as applicable, shall remain available for issuance under the Plan. To the extent an Award is settled in cash, the cash settlement shall not reduce the number of Shares remaining available for issuance under the Plan. At all times the Company will reserve and keep available a sufficient number of Shares as will be required to satisfy the requirements of all Awards granted and outstanding under this Plan. In no event shall the total number of Shares issued (counting each reissuance of a Share that was previously issued and then reacquired by the Company pursuant to a forfeiture provision, right of first refusal, or repurchase by the Company as a separate issuance) under the Plan upon exercise of ISOs (as defined in Section 4 hereof) exceed 119,423,676 Shares (adjusted in proportion to any adjustments under Section 2.2 hereof) over the term of the Plan.

2.2 Adjustment of Shares. In the event that the Company's Common Stock is changed by a stock dividend, recapitalization, stock split, reverse stock split, subdivision,

combination, reclassification or other change in the capital structure of the Company affecting Shares without consideration, then in order to prevent diminution or enlargement of the benefits or potential benefits intended to be made available under the Plan (a) the number and class of Shares reserved for issuance under this Plan, (b) the Exercise Prices of and number and class of Shares subject to outstanding Options and SARs, and (c) the Purchase Prices of and/or number and class of Shares subject to other outstanding Awards will (to the extent appropriate) be proportionately adjusted, subject to any required action by the Board or the stockholders of the Company and compliance with applicable securities or other laws; provided, however, that fractions of a Share will not be issued but will either be paid in cash at the Fair Market Value of such fraction of a Share or will be rounded down to the nearest whole Share, as determined by the Committee.

3. PLAN FOR BENEFIT OF SERVICE PROVIDERS.

3.1 Eligibility. The Committee will have the authority to select persons to receive Awards. ISOs may be granted only to employees (including officers and directors who are also employees) of the Company or of a Parent or Subsidiary of the Company. NQSOs (as defined in Section 4 hereof) and all other types of Awards may be granted to employees, officers, directors and consultants of the Company or any Parent or Subsidiary of the Company; *provided* such consultants render bona fide services not in connection with the offer and sale of securities in a capital-raising transaction when Rule 701 is to apply to the Award granted for such services. A person may be granted more than one Award under this Plan.

3.2 No Obligation to Employ. Nothing in this Plan or any Award granted under this Plan will confer or be deemed to confer on any Participant any right to continue in the employ of, or to continue any other relationship with, the Company or any Subsidiary of Parent of the Company or limit in any way the right of the Company or any Subsidiary or Parent of the Company to terminate Participant's employment or other relationship at any time, with or without Cause.

4. OPTIONS. The Committee may grant Options to eligible persons described in Section 3 hereof and will determine whether such Options will be Incentive Stock Options within the meaning of the Code ("***ISOs***") or Nonqualified Stock Options ("***NQSOs***"), the number of Shares subject to the Option, the Exercise Price of the Option, the period during which the Option may be exercised, and all other terms and conditions of the Option, subject to the following.

4.1 Form of Option Grant. Each Option granted under this Plan will be evidenced by an Award Agreement which will expressly identify the Option as an ISO or an NQSO ("***Stock Option Agreement***"), and will be in such form and contain such provisions (which need not be the same for each Participant) as the Committee may from time to time approve, and which will comply with and be subject to the terms and conditions of this Plan.

4.2 Date of Grant. The date of grant of an Option will be the date on which the Committee makes the determination to grant such Option, unless a later date is otherwise

specified by the Committee. The Stock Option Agreement and a copy of this Plan will be delivered to the Participant within a reasonable time after the granting of the Option.

4.3 Exercise Period. Options may be exercisable within the time or upon the events determined by the Committee in the Award Agreement and may be awarded as immediately exercisable but subject to repurchase pursuant to Section 10 hereof or may be exercisable within the times or upon the events determined by the Committee as set forth in the Stock Option Agreement governing such Option; provided, however, that (a) no Option will be exercisable after the expiration of ten (10) years from the date the Option is granted; and (b) no ISO granted to a person who directly or by attribution owns more than ten percent (10%) of the total combined voting power of all classes of stock of the Company or of any Subsidiary or Parent of the Company ("***Ten Percent Stockholder***") will be exercisable after the expiration of five (5) years from the date the ISO is granted, but in no event shall an Option granted to an employee who is a non-exempt employee for purposes of overtime pay under the U.S. Fair Labor Standards Act of 1938 be exercisable earlier than six (6) months after its date of grant. The Committee also may provide for Options to become exercisable at one time or from time to time, periodically or otherwise, in such number of Shares or percentage of Shares as the Committee determines. In addition, if an Option is determined to otherwise be subject to Section 409A of the Code, such Option shall be exercisable for the Shares subject to such Option no later than the end of the applicable short-term deferral period determined under Section 409A of the Code by the Committee, except as otherwise determined by the Committee.

4.4 Exercise Price. The Exercise Price of an Option will be determined by the Committee when the Option is granted and shall not be less than the Fair Market Value per Share on the date of grant unless expressly determined in writing by the Committee; provided that the Exercise Price of an ISO granted to a Ten Percent Stockholder will not be less than one hundred ten percent (110%) of the Fair Market Value of the Shares on the date of grant. Payment for the Shares purchased must be made in accordance with Section 8 hereof.

4.5 Method of Exercise. Options may be exercised only by delivery to the Company of a stock option exercise agreement (accepted via written, electronic or other means) (the "***Exercise Agreement***") in a form approved by the Committee (which need not be the same for each Participant). The Exercise Agreement will state (a) the number of Shares being purchased, (b) the restrictions imposed on the Shares purchased under such Exercise Agreement, if any, and (c) such representations and agreements regarding Participant's investment intent and access to information and other matters, if any, as may be required or desirable by the Company to comply with applicable securities or other laws. Each Participant's Exercise Agreement may be modified by (i) agreement of Participant and the Company or (ii) substitution by the Company, upon becoming a public company, in order to add the payment terms set forth in Section 8.1 that apply to a public company and such other terms as shall be necessary or advisable in order to exercise a public company option. Upon exercise of an Option, Participant shall execute and deliver to the Company the Exercise Agreement then in effect, together with payment in full of the Exercise Price for the number of Shares being purchased and satisfaction of any applicable Tax-Related Obligations (as defined in Section 8.2 hereof). No adjustment will

be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 2.2 of the Plan. Exercising an Option in any manner will decrease the number of Shares thereafter available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

4.6 Termination. Subject to earlier termination pursuant to Sections 11 and 13.3 hereof and notwithstanding the exercise periods set forth in the Stock Option Agreement, exercise of an Option will always be subject to the following terms and conditions.

4.6.1 Other than Death or Disability or for Cause. If the Participant is Terminated for any reason other than death, Disability or for Cause, then the Participant may exercise such Participant's Options only to the extent that such Options are exercisable as to Vested Shares upon the Termination Date, except as otherwise determined by the Committee or required by applicable law. Such Options must be exercised by the Participant, if at all, as to all or some of the Vested Shares calculated as of the Termination Date or such other date determined by the Committee, within three (3) months after the Termination Date (or within such shorter time period, not less than thirty (30) days, or within such longer time period after the Termination Date as may be determined by the Committee or required by applicable law, with any exercise beyond three (3) months after the date Participant ceases to be an employee deemed to be an NQSO) but in any event, no later than the expiration date of the Options.

4.6.2 Death or Disability. If the Participant is Terminated because of Participant's death or Disability (or the Participant dies within three (3) months after a Termination other than for Cause), then Participant's Options may be exercised only to the extent that such Options are exercisable as to Vested Shares on the Termination Date, except as otherwise determined by the Committee ore required by applicable law. Such Options must be exercised by Participant (or Participant's legal representative or authorized assignee), if at all, as to all or some of the Vested Shares calculated as of the Termination Date or such other date determined by the Committee, within twelve (12) months after the Termination Date (or within such shorter time period, not less than six (6) months, or within such longer time period, after the Termination Date as may be determined by the Committee or required by applicable law, with any exercise beyond (a) three (3) months after the date Participant ceases to be an employee when the Termination is for any reason other than the Participant's death or disability, within the meaning of Section 22(e)(3) of the Code, or (b) twelve (12) months after the date Participant ceases to be an employee when the Termination is for Participant's disability, within the meaning of Section 22(e)(3) of the Code, deemed to be an NQSO) but in any event no later than the expiration date of the Options.

4.6.3 For Cause. If the Participant is Terminated for Cause, the Participant may exercise such Participant's Options, but not to an extent greater than such Options are exercisable as to Vested Shares upon the Termination Date and Participant's Options shall expire on such Participant's Termination Date, or at such later time and on such conditions as are determined by the Committee.

4.7 Limitations on Exercise. The Committee may specify a reasonable minimum number of Shares that may be purchased on any exercise of an Option, provided that

such minimum number will not prevent Participant from exercising the Option for the full number of Shares for which it is then exercisable.

4.8 Limitations on ISOs. The aggregate Fair Market Value (determined as of the date of grant) of Shares with respect to which ISOs are exercisable for the first time by a Participant during any calendar year (under this Plan or under any other incentive stock option plan of the Company or any Parent or Subsidiary of the Company) will not exceed One Hundred Thousand Dollars ($100,000). If the Fair Market Value of Shares on the date of grant with respect to which ISOs are exercisable for the first time by a Participant during any calendar year exceeds One Hundred Thousand Dollars ($100,000), then the Options for the first One Hundred Thousand Dollars ($100,000) worth of Shares to become exercisable in such calendar year will be ISOs and the Options for the amount in excess of One Hundred Thousand Dollars ($100,000) that become exercisable in that calendar year will be NQSOs. In the event that the Code or the regulations promulgated thereunder are amended after the Effective Date (as defined in Section 13.1 hereof) to provide for a different limit on the Fair Market Value of Shares permitted to be subject to ISOs, then such different limit will be automatically incorporated herein and will apply to any Options granted after the effective date of such amendment.

4.9 Modification, Extension or Renewal. The Committee may modify, extend or renew outstanding Options and authorize the grant of new Options in substitution therefor, provided that any such action may not, without the written consent of a Participant, impair any of such Participant's rights under any Option previously granted. Any outstanding ISO that is modified, extended, renewed or otherwise altered will be treated in accordance with Section 424(h) of the Code. Subject to Section 4.10 hereof, the Committee may reduce the Exercise Price of outstanding Options without the consent of Participants by a written notice to them; provided, however, that the Exercise Price may not be reduced below the minimum Exercise Price that would be permitted under Section 4.4 hereof for Options granted on the date the action is taken to reduce the Exercise Price.

4.10 No Disqualification. Notwithstanding any other provision in this Plan, no term of this Plan relating to ISOs will be interpreted, amended or altered, nor will any discretion or authority granted under this Plan be exercised, so as to disqualify this Plan under Section 422 of the Code or, without the consent of the Participant, to disqualify any Participant's ISO under Section 422 of the Code.

5. RESTRICTED STOCK. A Restricted Stock Award is an offer by the Company to sell to an eligible person Shares that are subject to certain specified restrictions. The Committee will determine to whom an offer will be made, the number of Shares the person may purchase, the Purchase Price, the restrictions to which the Shares will be subject, and all other terms and conditions of the Restricted Stock Award, subject to the following terms and conditions.

5.1 Form of Restricted Stock Award. All purchases under a Restricted Stock Award made pursuant to this Plan will be evidenced by an Award Agreement ("***Restricted Stock Purchase Agreement***") that will be in such form (which need not be the same for each

Participant) as the Committee will from time to time approve, and will comply with and be subject to the terms and conditions of this Plan. The Restricted Stock Award will be accepted by the Participant's execution and delivery of the Restricted Stock Purchase Agreement and full payment for the Shares to the Company within thirty (30) days from the date the Restricted Stock Purchase Agreement is delivered to the person. If such person does not execute and deliver the Restricted Stock Purchase Agreement along with full payment for the Shares to the Company within such thirty (30) days, then the offer will terminate, unless otherwise determined by the Committee.

5.2 Purchase Price. The Purchase Price of Shares sold pursuant to a Restricted Stock Award will be determined by the Committee on the date the Restricted Stock Award is granted. Payment of the Purchase Price must be made in accordance with Section 8 hereof.

5.3 Dividends and Other Distributions. Participants holding Restricted Stock Awards will be entitled to receive all dividends and other distributions paid with respect to such Shares, unless the Committee provides otherwise at the time the Award is granted. If any such dividends or distributions are paid in Shares, the Shares will be subject to the same restrictions on transferability and forfeitability as the Restricted Stock Awards with respect to which they were paid.

5.4 Restrictions. Restricted Stock Awards may be subject to the restrictions set forth in Sections 9 and 10 hereof or, with respect to a Restricted Stock Award to which Section 25102(o) is to apply, such other restrictions not inconsistent with Section 25102(o).

6. RESTRICTED STOCK UNITS.

6.1 Awards of Restricted Stock Units. A Restricted Stock Unit ("***RSU***") is an Award covering a number of Shares that may be settled in cash, or by issuance of those Shares at a date in the future, or by a combination of cash and Shares. No Purchase Price shall apply to an RSU settled in Shares. All grants of RSUs will be evidenced by an Award Agreement (the " ***RSU Agreement***") that will be in such form (which need not be the same for each Participant) as the Committee will from time to time approve, and will comply with and be subject to the terms and conditions of this Plan. No RSU will have a term longer than ten (10) years from the date the RSU is granted.

6.2 Form and Timing of Settlement. To the extent permissible under applicable law, the Committee may permit a Participant to defer payment (including settlement) under an RSU to a date or dates after the RSU has vested, provided that the terms of the RSU and any deferral satisfy the requirements of Section 409A of the Code (or any successor) and any regulations or rulings promulgated thereunder, to the extent the Participant is subject to Section 409A of the Code. Payment may be made in the form of cash or whole Shares or a combination thereof, all as the Committee determines.

6.3 Dividend Equivalent Payments. The Board may permit Participants holding RSUs to receive dividend equivalent payments on outstanding RSUs if and when

dividends are paid to stockholders on Shares. In the discretion of the Board, such dividend equivalent payments may be paid in cash or Shares and they may either be paid at the same time as dividend payments are made to stockholders or delayed until Shares are issued pursuant to the RSU grants and may be subject to the same vesting or performance requirements as the RSUs. If the Board permits dividend equivalent payments to be made on RSUs, the terms and conditions for such dividend equivalent payments will be set forth in the RSU Agreement.

7. STOCK APPRECIATION RIGHTS.

7.1 Awards of SARs. Stock Appreciation Rights ("***SARs***") may be settled in cash, or Shares (which may consist of Restricted Stock or RSUs) or a combination thereof, having a value equal to the value determined by multiplying the difference between the Fair Market Value on the date of exercise over the Exercise Price and the number of Shares with respect to which the SAR is being exercised. All grants of SARs made pursuant to this Plan will be evidenced by an Award Agreement (the "***SAR Agreement***") that will be in such form (which need not be the same for each Participant) as the Committee will from time to time approve, and will comply with and be subject to the terms and conditions of this Plan.

7.2 Exercise Period and Expiration Date. A SAR will be exercisable within the times or upon the occurrence of events determined by the Committee and set forth in the SAR Agreement. The SAR Agreement shall set forth the expiration date; provided that no SAR will be exercisable after the expiration of ten (10) years from the date the SAR is granted.

7.3 Exercise Price. The Committee will determine the Exercise Price of the SAR when the SAR is granted, which may not be less than the Fair Market Value on the date of grant.

7.4 Termination. Subject to earlier termination pursuant to Sections 11 and 13 hereof and notwithstanding the exercise periods set forth in the SAR Agreement, exercise of SARs will always be subject to the following terms and conditions.

7.4.1 Other than Death or Disability or for Cause. If the Participant is Terminated for any reason other than death, Disability or for Cause, then the Participant may exercise such Participant's SARs only to the extent that such SARs are exercisable as to Vested Shares upon the Termination Date or as otherwise determined by the Committee or as required by applicable law. SARs must be exercised by the Participant, if at all, as to all or some of the Vested Shares calculated as of the Termination Date or such other date determined by the Committee, within three (3) months after the Termination Date (or within such shorter time period, not less than thirty (30) days, or within such longer time period after the Termination Date as may be determined by the Committee or as required by applicable law) but in any event, no later than the expiration date of the SARs.

7.4.2 Death or Disability. If the Participant is Terminated because of Participant's death or Disability (or the Participant dies within three (3) months after a Termination other than for Cause), then Participant's SARs may be exercised only to the extent that such SARs are exercisable as to Vested Shares on the Termination Date or as otherwise

determined by the Committee or as required by applicable law. Such SARs must be exercised by Participant (or Participant's legal representative or authorized assignee), if at all, as to all or some of the Vested Shares calculated as of the Termination Date or such other date determined by the Committee, within twelve (12) months after the Termination Date (or within such shorter time period, not less than six (6) months, or within such longer time period after the Termination Date as may be determined by the Committee or as required by applicable law) but in any event no later than the expiration date of the SARs.

7.4.3 For Cause. If the Participant is Terminated for Cause, the Participant may exercise such Participant's SARs, but not to an extent greater than such SARs are exercisable as to Vested Shares upon the Termination Date and Participant's SARs shall expire on such Participant's Termination Date, or at such later time and on such conditions as are determined by the Committee.

8. PAYMENT FOR PURCHASES AND EXERCISES.

8.1 Payment in General. Payment for Shares acquired pursuant to this Plan may be made in cash equivalents (including by check or Automated Clearing House ("***ACH***") transfer) or, where expressly approved for the Participant by the Committee and subject to compliance with applicable law:

(a) by cancellation of indebtedness of the Company owed to the Participant;

(b) by surrender of shares of the Company that are clear of all liens, claims, encumbrances or security interests and: (i) for which the Company has received "full payment of the purchase price" within the meaning of SEC Rule 144 (and, if such shares were purchased from the Company by use of a promissory note, such note has been fully paid with respect to such shares) or (ii) that were obtained by Participant in the public market;

(c) by tender of a full recourse promissory note having such terms as may be approved by the Committee and bearing interest at a rate sufficient to avoid (i) imputation of income under Sections 483 and 1274 of the Code and (ii) unfavorable accounting treatment as determined by the Committee; provided, however, that Participants who are not employees or directors of the Company will not be entitled to purchase Shares with a promissory note unless the note is adequately secured by collateral other than the Shares; provided, further, that the portion of the Exercise Price or Purchase Price, as the case may be, equal to the par value (if any) of the Shares must be paid in cash or other legal consideration permitted by the laws under which the Company is then incorporated or organized;

(d) by waiver of compensation due or accrued to the Participant from the Company for services rendered;

(e) by participating in a formal cashless exercise program implemented by the Committee in connection with the Plan;

(f) provided that a public market for the Company's common stock exists, by exercising through a "same day sale" commitment from the Participant and a broker-dealer whereby the Participant irrevocably elects to exercise the Award and to sell a portion of the Shares so purchased sufficient to pay the total Exercise Price or Purchase Price, and whereby the broker-dealer irrevocably commits upon receipt of such Shares to forward the total Exercise Price or Purchase Price directly to the Company; or

(g) by any combination of the foregoing or any other method of payment approved by the Committee.

For avoidance of uncertainty: ACH transfers that have been received by the Company into its bank account designated for receipt of such transfers under this Section 8.1 shall be deemed to have been received for all purposes under this Plan as of the date on which such transfers were initiated from the transferor's account and made irrevocable by the transferor.

8.2 **Withholding Taxes**.

8.2.1 Withholding Generally. Whenever Shares are to be issued in satisfaction of Awards granted under this Plan, the Company may require the Participant to remit to the Company an amount sufficient to satisfy the maximum tax withholding requirements as to income tax, social insurance, payroll tax, fringe benefits tax, payment on account and other tax-related obligations (collectively, "***Tax-Related Obligations***") prior to the delivery of any written or electronic certificate or certificates for such Shares. Whenever, under this Plan, payments in satisfaction of Awards are to be made in cash by the Company, such payment will be net of an amount sufficient to satisfy applicable tax withholding requirements.

8.2.2 Stock Withholding. When, under applicable tax laws, a Participant incurs tax liability in connection with the exercise or vesting of any Award that is subject to tax withholding and the Participant is obligated to pay the Company the amount required to be withheld, the Committee may in its sole discretion allow the Participant to satisfy up to the maximum Tax-Related Obligations in the employee's applicable jurisdictions by electing to have the Company withhold from the Shares to be issued up to the number of Shares having a Fair Market Value on the date that the amount of tax to be withheld is to be determined that is not more than the maximum Tax-Related Obligations in the employee's applicable jurisdictions; or to arrange a mandatory "sell to cover" on Participant's behalf (without further authorization) but in no event will the Company withhold Shares or "sell to cover" if such withholding would result in adverse accounting or compliance consequences to the Company. The maximum Tax-Related Obligations are based on the applicable rates of the relevant tax authorities (for example, federal, state and local), including the employee's share of payroll or similar taxes, as provided in the tax law, regulations or the authority's administrative practices, not to exceed the highest statutory rate in that jurisdiction. Any elections to have Shares withheld or sold for this purpose will be made in accordance with the requirements established by the Committee for such elections and be in writing in a form acceptable to the Committee.

9. RESTRICTIONS ON AWARDS.

9.1 Transferability. Except as permitted by the Committee, Awards granted under this Plan, and any interest therein, will not be transferable or assignable by Participant, other than by will or by the laws of descent and distribution, and, with respect to NQSOs for Participants in the U.S., by instrument to an inter vivos or testamentary trust in which the NQSOs are to be passed to beneficiaries upon the death of the trustor (settlor), or by gift to "family member" as that term is defined in Rule 701, and may not be made subject to execution, attachment or similar process. For the avoidance of doubt, the prohibition against assignment and transfer applies to Awards and any Shares underlying the Awards prior to the issuance of the Shares, and pursuant to the foregoing sentence shall be understood to include, without limitation, a prohibition against any pledge, hypothecation, or other transfer, including any short position, any "put equivalent position" or any "call equivalent position" (in each case, as defined in Rule 16a-1 promulgated under the Exchange Act). Unless an Award is transferred pursuant to the terms of this Section, during the lifetime of the Participant an Award will be exercisable only by the Participant or Participant's legal representative and any elections with respect to an Award may be made only by the Participant or Participant's legal representative. The terms of an Award shall be binding upon the executor, administrator, successors and assigns of the Participant who is a party thereto.

9.2 Securities Law and Other Regulatory Compliance. Although this Plan is intended to be a written compensatory benefit plan within the meaning of Rule 701 promulgated under the Securities Act, Awards may be made pursuant to this Plan that do not qualify for exemption under Rule 701 or Section 25102(o). Any requirement of this Plan which is required in law only because of Section 25102(o) need not apply with respect to a particular Award to which Section 25102(o) will not apply. An Award will not be effective unless such Award is in compliance with all applicable U.S. and non-U.S. federal, state and local securities laws, rules and regulations of any governmental body, and the requirements of any stock exchange or automated quotation system upon which the Company's equity securities may then be listed or quoted, as they are in effect on the date of grant of the Award and also on the date of exercise, settlement or other issuance. Notwithstanding any other provision in this Plan, the Company will have no obligation to issue Shares or deliver certificates for Shares under this Plan prior to (a) obtaining any approvals from governmental agencies that the Company determines are necessary or advisable, and/or (b) compliance with any exemption, completion of any registration or other qualification of such Shares under any U.S. and non-U.S. federal, state or local law or ruling of any governmental body that the Company determines to be necessary or advisable. The Company will be under no obligation to register the Shares with the SEC or to effect compliance with the exemption, registration, qualification or listing requirements of any securities laws, stock exchange or automated quotation system, and the Company will have no liability for any inability or failure to do so.

9.3 Exchange and Buyout of Awards. The Committee may, at any time or from time to time, authorize the Company, with the consent of the respective Participants, to issue new Awards in exchange for the surrender and cancellation of any or all outstanding Awards. Without prior stockholder approval the Committee may reprice Options or SARs (and

where such repricing is a reduction in the Exercise Price of outstanding Options or SARs, the consent of the affected Participants is not required provided written notice is provided to them). The Committee may at any time buy from a Participant an Award previously granted with payment in cash, Shares (including Restricted Stock) or other consideration, based on such terms and conditions as the Committee and the Participant may agree.

10. RESTRICTIONS ON SHARES.

10.1 Privileges of Stock Ownership. No Participant will have any of the rights of a stockholder with respect to any Shares until such Shares are issued to the Participant. After Shares are issued to the Participant, the Participant will be a stockholder and have all the rights of a stockholder with respect to such Shares, including the right to vote and receive all dividends or other distributions made or paid with respect to such Shares; provided, that if such Shares are Restricted Stock, then any new, additional or different securities the Participant may become entitled to receive with respect to such Shares by virtue of a stock dividend, stock split or any other change in the corporate or capital structure of the Company will be subject to the same restrictions as the Restricted Stock. The Participant will have no right to retain such stock dividends or stock distributions with respect to Unvested Shares that are repurchased as described in this Section 10.

10.2 Rights of First Refusal and Repurchase. At the discretion of the Committee, the Company may reserve to itself and/or its assignee(s) in the Award Agreement (a) a right of first refusal to purchase all Shares that a Participant (or a subsequent transferee) may propose to transfer to a third party, provided that such right of first refusal terminates upon (i) subject to any applicable market standoff restrictions, the effective date of the first sale of common stock of the Company to the general public pursuant to a registration statement filed with and declared effective by the SEC under the Securities Act (other than a registration statement relating solely to the issuance of common stock pursuant to a business combination or an employee incentive or benefit plan); (ii) any transfer or conversion of Shares made pursuant to a statutory merger or statutory consolidation of the Company with or into another corporation or corporations if the common stock of the surviving corporation or any direct or indirect Parent thereof is registered under the Exchange Act; or (iii) any transfer or conversion of Shares made pursuant to a statutory conversion of the Company into another form of legal entity if the common equity (or comparable equity security) of entity resulting from such conversion is registered under the Exchange Act; and (b) a right to repurchase Unvested Shares held by a Participant for cash and/or cancellation of purchase money indebtedness owed to the Company by the Participant following such Participant's Termination at any time.

10.3 Agreement to Vote Shares. At the discretion of the Committee, the Company may require that, as a condition to the receipt of the Shares upon issuance of an Award, exercise of an Option or SAR or settlement of an RSU, the Participant and any transferee of the Shares agree to vote such Shares pursuant to the terms of a Voting Agreement by and between the Company and certain of its stockholders.

10.4 Escrow; Pledge of Shares. To enforce any restrictions on a Participant's Shares, the Committee may require the Participant to deposit all written or electronic certificates

representing Shares, together with stock powers or other instruments of transfer approved by the Committee, appropriately endorsed in blank, with the Company or an agent designated by the Company to hold in escrow until such restrictions have lapsed or terminated. The Committee may cause a legend or legends referencing such restrictions to be placed on the written or electronic certificate. Any Participant who is permitted to execute a promissory note as partial or full consideration for the purchase of Shares under this Plan will be required to pledge and deposit with the Company all or part of the Shares so purchased as collateral to secure the payment of Participant's obligation to the Company under the promissory note; provided, however, that the Committee may require or accept other or additional forms of collateral to secure the payment of such obligation and, in any event, the Company will have full recourse against the Participant under the promissory note notwithstanding any pledge of the Participant's Shares or other collateral. In connection with any pledge of the Shares, Participant will be required to execute and deliver a written pledge agreement in such form as the Committee will from time to time approve. The Shares purchased with the promissory note may be released from the pledge on a pro rata basis as the promissory note is paid.

10.5 **Securities Law Restrictions**. All written or electronic certificates for Shares or other securities delivered under this Plan will be subject to such stock transfer orders, legends and other restrictions as the Committee may deem necessary or advisable, including restrictions under any applicable U.S. and non-U.S. federal, state or local securities law, or any rules, regulations and other requirements of the SEC or any stock exchange or automated quotation system upon which the Company's equity securities may be listed or quoted.

11. CORPORATE TRANSACTIONS.

11.1 **Acquisitions or Other Combinations**. In the event that the Company is subject to an Acquisition or Other Combination, outstanding Awards acquired under the Plan shall be subject to the agreement evidencing the Acquisition or Other Combination, which need not treat all outstanding Awards in an identical manner. Such agreement, without the Participant's consent, shall provide for one or more of the following with respect to all outstanding Awards as of the effective date of such Acquisition or Other Combination:

(a) The continuation of such outstanding Awards by the Company (if the Company is the successor entity).

(b) The assumption of outstanding Awards by the successor or acquiring entity (if any) in such Acquisition or Other Combination (or by any of its Parents, if any), which assumption, will be binding on all Participants; provided that the exercise price and the number and nature of shares issuable upon exercise of any such option or stock appreciation right, or upon the settlement of any award that is subject to Section 409A of the Code, will be adjusted appropriately pursuant to Section 424(a) and Section 409A of the Code. For the purposes of this Section 11, an Award will be considered assumed if, following the Acquisition or Other Combination, the Award confers the right to purchase or receive, for each Share subject to the Award immediately prior to the Acquisition or Other Combination, the consideration (whether stock, cash, or other securities or property) received in the Acquisition or Other Combination by holders of Shares for each Share held on the effective date of the transaction

(and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding Shares); provided, however, that if such consideration received in the Acquisition or Other Combination is not solely common stock of the successor corporation or its Parent, the Committee may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise of an Option or Stock Appreciation Right or upon the settlement of an RSU, for each Share subject to such Award, to be solely common stock of the successor corporation or its Parent equal in fair market value to the per share consideration received by holders of Common Stock in the Acquisition or Other Combination.

(c) The substitution by the successor or acquiring entity in such Acquisition or Other Combination (or by any of its Parents, if any) of equivalent awards with substantially the same terms for such outstanding Awards (except that the exercise price and the number and nature of shares issuable upon exercise of any such option or stock appreciation right, or any award that is subject to Section 409A of the Code, will be adjusted appropriately pursuant to Section 424(a) and Section 409A of the Code).

(d) The full or partial exercisability or vesting and accelerated expiration of outstanding Awards.

(e) The settlement of the Fair Market Value of such outstanding Award (whether or not then vested or exercisable) in cash, cash equivalents, or securities of the successor entity (or its Parent, if any) followed by the cancellation of such Awards; provided however, that such Award may be cancelled without consideration if such Award has no value, as determined by the Committee, in its discretion. Subject to Section 409A of the Code, such payment may be made in installments and may be deferred until the date or dates when the Award would have become exercisable or vested. Such payment may be subject to vesting based on the Participant's continued service, provided that without the Participant's consent, the vesting schedule shall not be less favorable to the Participant than the schedule under which the Award would have become vested or exercisable. For purposes of this Section 11.1(e), the Fair Market Value of any security shall be determined without regard to any vesting conditions that may apply to such security.

(f) The termination in its entirety of any outstanding Award, without payment of any consideration, that is not exercised in accordance with its terms upon or prior to consummation of the transactions contemplated by the Acquisition or Other Combination within a time specified by the Committee, in its discretion, for such exercise, whether or not such Award is then fully exercisable.

Immediately following an Acquisition or Other Combination, outstanding Awards shall terminate and cease to be outstanding, except to the extent such Awards, have been continued, assumed or substituted, as described in Sections 11.1(a), (b) and/or (c).

11.2 Assumption of Awards by the Company. The Company, from time to time, also may substitute or assume outstanding awards granted by another entity, whether in connection with an acquisition of such other entity or otherwise, by either (a) granting an Award

under this Plan in substitution of such other entity's award or (b) assuming and/or converting such award as if it had been granted under this Plan if the terms of such assumed award could be applied to an Award granted under this Plan. Such substitution or assumption will be permissible if the holder of the substituted or assumed award would have been eligible to be granted an Award under this Plan if the other entity had applied the rules of this Plan to such grant. In the event the Company assumes an award granted by another entity, the terms and conditions of such award will remain unchanged (except that the exercise price and the number and nature of shares issuable upon exercise of any such option or stock appreciation right, or any award that is subject to Section 409A of the Code, will be adjusted appropriately pursuant to Section 424(a) of the Code). In the event the Company elects to grant a new Option or SAR in substitution for and rather than assuming an existing option or stock appreciation right, such new Option or SAR may be granted with a similarly adjusted Exercise Price and number of underlying Shares and such other changes approved by the Committee, subject to the consent of the Participant.

12. ADMINISTRATION.

12.1 **Committee Authority**. This Plan will be administered by the Committee. Subject to the general purposes, terms and conditions of this Plan, and to the direction of the Board, the Committee will have full power to implement and carry out this Plan. Without limitation, the Committee will have the authority to:

(a) construe and interpret this Plan, any Award Agreement and any other agreement or document executed pursuant to this Plan;

(b) prescribe, amend, expand, modify and rescind or terminate rules and regulations relating to this Plan;

(c) approve persons to receive Awards;

(d) determine the form and terms of Awards;

(e) determine the number of Shares or other consideration subject to Awards granted under this Plan;

(f) determine the Fair Market Value in good faith and interpret the applicable provisions of this Plan and the definition of Fair Market Value in connection with circumstances that impact the Fair Market Value, if necessary;

(g) determine whether Awards will be granted singly, in combination with, in tandem with, in replacement of, or as alternatives to, other Awards under this Plan or awards under any other incentive or compensation plan of the Company or any Parent or Subsidiary of the Company;

(h) grant waivers of any conditions of this Plan or any Award;

(i) determine the terms of vesting, exercisability, settlement and payment of Awards to be granted pursuant to this Plan;

(j) correct any defect, supply any omission, or reconcile any inconsistency in this Plan, any Award, any Award Agreement, or any Exercise Agreement;

(k) determine whether an Award has been vested or become exercisable;

(l) extend the vesting period beyond a Participant's Termination Date;

(m) adopt rules and/or procedures (including the adoption of any subplan under this Plan) relating to the operation and administration of the Plan to accommodate or facilitate requirements of local law and procedures outside of the United States;

(n) delegate any of the foregoing to a subcommittee consisting of one or more directors or executive officers pursuant to a specific delegation as may otherwise be permitted by applicable law;

(o) change the vesting schedule of Awards under the Plan prospectively in the event that the Participant's service status changes between full and part time status in accordance with Company policies relating to work schedules and vesting of Awards; and

(p) make all other determinations necessary or advisable in connection with the administration of this Plan.

12.2 Standalone, Tandem and Substitute Awards. Awards granted under the Plan may, in the sole discretion of the Committee, be granted either alone or in addition to, in tandem with, or in substitution for, any other Award granted under the Plan. Awards granted in addition to or in tandem with other Awards may be granted either at the same time as or at a different time from the grant of such other Awards.

12.3 Committee Composition and Discretion. The Board may delegate full administrative authority over the Plan and Awards to a Committee consisting of at least one member of the Board (or such greater number as may then be required by applicable law). Unless in contravention of any express terms of this Plan or Award, any determination made by the Committee with respect to any Award will be made in its sole discretion either (a) at the time of grant of the Award, or (b) subject to Section 4.9 hereof, at any later time. Any such determination will be final and binding on the Company and on all persons having an interest in any Award under this Plan. To the extent permitted by applicable law, the Committee may delegate to one or more directors or officers of the Company the authority to grant an Award under this Plan.

12.4 Nonexclusivity of the Plan. Neither the adoption of this Plan by the Board, the submission of this Plan to the stockholders of the Company for approval, nor any provision of this Plan will be construed as creating any limitations on the power of the Board to adopt such additional compensation arrangements as it may deem desirable, including, without

limitation, the granting of stock options and other equity awards otherwise than under this Plan, and such arrangements may be either generally applicable or applicable only in specific cases.

12.5 **Governing Law**. This Plan and all agreements hereunder shall be governed by and construed in accordance with the laws of the State of California, without giving effect to that body of laws pertaining to conflict of laws.

13. EFFECTIVENESS, AMENDMENT AND TERMINATION OF THE PLAN.

13.1 **Adoption and Stockholder Approval**. This Plan will become effective on the date that it is adopted by the Board (the "***Effective Date***"). This Plan will be approved by the stockholders of the Company (excluding Shares issued pursuant to this Plan), consistent with applicable laws, within twelve (12) months before or after the Effective Date. Upon the Effective Date, the Committee may grant Awards pursuant to this Plan; provided, however, that: (a) no Option or SAR may be exercised prior to initial stockholder approval of this Plan; (b) no Option or SAR granted pursuant to an increase in the number of Shares approved by the Board shall be exercised prior to the time such increase has been approved by the stockholders of the Company; (c) in the event that initial stockholder approval is not obtained within the time period provided herein, all Awards for which only the exemption from California's securities qualification requirements provided by Section 25102(o) can apply shall be canceled, any Shares issued pursuant to any such Award shall be canceled and any purchase of such Shares issued hereunder shall be rescinded; and (d) Awards (to which only the exemption from California's securities qualification requirements provided by Section 25102(o) can apply) granted pursuant to an increase in the number of Shares approved by the Board which increase is not approved by stockholders within the time then required under Section 25102(o) shall be canceled, any Shares issued pursuant to any such Awards shall be canceled, and any purchase of Shares subject to any such Award shall be rescinded.

13.2 **Term of Plan**. Unless earlier terminated as provided herein, this Plan will automatically terminate ten (10) years after the Effective Date.

13.3 **Amendment or Termination of Plan**. Subject to Section 4.9 hereof, the Board may at any time (a) terminate or amend this Plan in any respect, including without limitation amendment of any form of Award Agreement or instrument to be executed pursuant to this Plan and (b) terminate any and all outstanding Options, SARs or RSUs upon a dissolution or liquidation of the Company, followed by the payment of creditors and the distribution of any remaining funds to the Company's stockholders; provided, however, that the Board will not, without the approval of the stockholders of the Company, amend this Plan in any manner that requires such stockholder approval pursuant to Section 25102(o) or pursuant to the Code or the regulations promulgated under the Code as such provisions apply to ISO plans. The termination of the Plan, or any amendment thereof, shall not affect any Share previously issued or any Award previously granted under the Plan.

14. DEFINITIONS. For all purposes of this Plan, the following terms will have the following meanings.

"***Acquisition***," for purposes of Section 11, means:

(a) any consolidation or merger in which the Company is a constituent entity or is a party in which the voting stock and other voting securities of the Company that are outstanding immediately prior to the consummation of such consolidation or merger represent, or are converted into, securities of the surviving entity of such consolidation or merger (or of any Parent of such surviving entity) that, immediately after the consummation of such consolidation or merger, together possess less than fifty percent (50%) of the total voting power of all voting securities of such surviving entity (or of any of its Parents, if any) that are outstanding immediately after the consummation of such consolidation or merger;

(b) a sale or other transfer by the holders thereof of outstanding voting stock and/or other voting securities of the Company possessing more than fifty percent (50%) of the total voting power of all outstanding voting securities of the Company, whether in one transaction or in a series of related transactions, pursuant to an agreement or agreements to which the Company is a party and that has been approved by the Board, and pursuant to which such outstanding voting securities are sold or transferred to a single person or entity, to one or more persons or entities who are Affiliates of each other, or to one or more persons or entities acting in concert; or

(c) the sale, lease, transfer or other disposition, in a single transaction or series of related transactions, by the Company and/or any Subsidiary or Subsidiaries of the Company, of all or substantially all the assets of the Company and its Subsidiaries taken as a whole, (or, if substantially all of the assets of the Company and its Subsidiaries taken as a whole are held by one or more Subsidiaries, the sale or disposition (whether by consolidation, merger, conversion or otherwise) of such Subsidiaries of the Company), except where such sale, lease, transfer or other disposition is made to the Company or one or more wholly owned Subsidiaries of the Company.

Notwithstanding the foregoing, the following transactions shall not constitute an "***Acquisition***": (1) the closing of the Company's first public offering pursuant to an effective registration statement filed under the Securities Act or (2) any transaction the sole purpose of which is to change the state of incorporation of the Company or to create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such transaction.

"***Affiliate***" of a specified person means a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified (where, for purposes of this definition, the term "***control***" (including the terms ***controlling***, ***controlled by*** and ***under common control with***) means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise.

"***Award***" means any award pursuant to the terms and conditions of this Plan, including any Option, Restricted Stock Unit, Stock Appreciation Right or Restricted Stock Award.

"***Award Agreement***" means, with respect to each Award, the executed written or electronic agreement between the Company and the Participant setting forth the terms and conditions of the Award as approved by the Committee. For purposes of the Plan, the Award Agreement may be accepted by a Participant via written, electronic or other means, subject to requirements under applicable law.

"***Board***" means the Board of Directors of the Company.

"***Cause***" means Termination because of (a) Participant's unauthorized misuse of the Company or a Parent or Subsidiary of the Company's trade secrets or proprietary information, (b) Participant's conviction of or plea of nolo contendere to a felony or a crime involving moral turpitude, (c) Participant's committing an act of fraud against the Company or a Parent or Subsidiary of the Company or (d) Participant's gross negligence or willful misconduct in the performance of his or her duties that has had or will have a material adverse effect on the Company or Parent or Subsidiary of the Company' reputation or business.

"***Code***" means the U.S. Internal Revenue Code of 1986, as amended. "***Committee***" means the committee created and appointed by the Board to administer this Plan, or if no committee is created and appointed, the Board.

"***Company***" means Cerebras Systems Inc., or any successor corporation. "***Disability***" means a Participant is unable to perform the duties of his or her customary position of employment by reason of any medically determinable physical or mental impairment that can be expected to result in death or that can be expected to last for a continuous period of not less than twelve (12) months. The Committee may require such medical or other evidence as it deems necessary to judge the nature and permanency of the Participant's condition.

"***Exchange Act***" means the U.S. Securities Exchange Act of 1934, as amended. "***Exercise Price***" means the price per Share at which a holder of an Option or a SAR may purchase Shares issuable upon exercise of the Option or the SAR.

"***Fair Market Value***" means, as of any date, the value of a Share determined as follows:

(a) if such Share is then publicly traded on a national securities exchange, its closing price on the date of determination on the principal national securities exchange on which the Share is listed or admitted to trading as reported in The Wall Street Journal;

(b) if such Share is publicly traded but is not listed or admitted to trading on a national securities exchange, the average of the closing bid and ask prices on the date of determination as reported by The Wall Street Journal (or as otherwise reported by any newspaper or other source as the Committee may determine); or

(c) if none of the foregoing is applicable to the valuation in question, by the Committee in good faith.

"***Option***" means an award of an option to purchase Shares pursuant to Section 4 of this Plan.

"***Other Combination***" for purposes of Section 11 means any (a) consolidation or merger in which the Company is a constituent entity and is not the surviving entity of such consolidation or merger or (b) any conversion of the Company into another form of entity; provided that such consolidation, merger or conversion does not constitute an Acquisition.

"***Parent***" of a specified entity means, any entity that, either directly or indirectly, owns or controls such specified entity, where for this purpose, "***control***" means the ownership of stock, securities or other interests that possess at least a majority of the voting power of such specified entity (including indirect ownership or control of such stock, securities or other interests).

"***Participant***" means a person who receives an Award under this Plan.

"***Plan***" means this 2016 Equity Incentive Plan, as amended from time to time. "***Purchase Price***" means the price at which a Participant may purchase Restricted Stock pursuant to this Plan.

"***Restricted Stock***" means Shares purchased pursuant to a Restricted Stock Award under this Plan.

"***Restricted Stock Award***" means an award of Shares pursuant to Section 5 hereof.

"***Restricted Stock Unit***" or "***RSU***" means an award made pursuant to Section 6 hereof.

"***Rule 701***" means Rule 701 *et seq.* promulgated by the SEC under the Securities Act.

"***SEC***" means the U.S. Securities and Exchange Commission.

"***Section 25102(o)***" means Section 25102(o) of the California Corporations Code. "***Securities Act***" means the U.S. Securities Act of 1933, as amended.

"***Shares***" means shares of the Company's Common Stock reserved for issuance under this Plan, as adjusted pursuant to Sections 2.2 and 11 hereof, and any successor security.

"***Stock Appreciation Right***" or "***SAR***" means an award granted pursuant to Section 7 hereof.

"***Subsidiary***" means any entity (other than the Company) in an unbroken chain of entities beginning with the Company if each of the entities other than the last entity in the unbroken chain owns stock or other equity securities representing fifty percent (50%) or more of the total combined voting power of all classes of stock or other equity securities in one of the other entities in such chain.

"***Termination***" or "***Terminated***" means, for purposes of this Plan with respect to a Participant, that the Participant has for any reason ceased to provide services as an employee, officer, director or consultant to the Company or a Parent or Subsidiary of the Company. A Participant will not be deemed to have ceased to provide services while the Participant is on a bona fide leave of absence, if such leave was approved by the Company in writing. In the case of an approved leave of absence, the Committee may make such provisions respecting crediting of service, including suspension of vesting of the Award (including pursuant to a formal policy adopted from time to time by the Company) it may deem appropriate. The Committee will have sole discretion to determine whether a Participant has ceased to provide services and the effective date on which the Participant ceased to provide services (the "***Termination Date***").

"***Unvested Shares***" means "***Unvested Shares***" as defined in the Award Agreement for an Award.

"***Vested Shares***" means "***Vested Shares***" as defined in the Award Agreement for an Award.

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Cerebras Offer Letter

4/20/2018

Dhiraj Mallick
[***]

Re: Offer of Employment by Cerebras Systems Inc.

Dear Dhiraj,

I am very pleased to confirm our offer to you of employment with Cerebras Systems Inc. (the "Company"). You will initially report to Andrew Feldman, Founder and CEO in the position of Vice President of Engineering and Business Development. The start date is to be on June 18, 2018. The terms of our offer and the benefits currently provided by the Company are as follows:

1. **Starting Salary**. Your starting salary will be three hundred thousand ($300,000) per year.

2. **Benefits**. In addition, you will be eligible to participate in regular health insurance, bonus and other employee benefit plans established by the Company for its employees from time to time. The Company reserves the right to change or otherwise modify, in its sole discretion, the preceding terms of employment.

3. **Confidentiality**. As an employee of the Company, you will have access to certain confidential information of the Company and you may, during your employment, develop certain information or inventions that will be the property of the Company. To protect the interests of the Company, you will need to sign the Company's standard "Employee Invention Assignment and Confidentiality Agreement" as a condition of your employment. We wish to impress upon you that we do not want you to, and we hereby direct you not to, bring with you any confidential or proprietary material of any former employer or to violate any other obligations you may have to any former employer. During the period that you render services to the Company, you agree to not engage in any employment, business or activity that is in any way competitive with the business or proposed business of the Company. You will disclose to the Company in writing any other gainful employment, business or activity that you are currently associated with or participate in that competes with the Company. You will not assist any other person or organization in competing with the Company or in preparing to engage in competition with the business or proposed business of the Company.

4. **No Breach of Obligations to Prior Employers**. You represent that your signing of this offer letter, agreement(s) concerning stock options granted to you, if any, under the Plan (as defined below) and the Company's Employee Invention Assignment and Confidentiality Agreement and your commencement of employment with the Company will not violate any agreement currently in place between yourself and current or past employers.

5. **Options**. We will recommend to the Board of Directors of the Company that you be granted the opportunity to purchase up nine hundred and thirty-eight thousand, eight hundred and

nineteen (938,819) shares of Common Stock of the Company under our 2016 Equity Incentive Plan the "**Plan**") at the fair market value of the Company's Common Stock, as determined by the Board of Directors on the date the Board approves such grant. The shares you will be given the opportunity to purchase will vest at the rate of twenty five percent (25%) of the shares at the end of your first anniversary with the Company, and an additional 1/48th of the shares per month thereafter, so long as you remain employed by the Company.

Furthermore, we will recommend to the Board of Directors of the Company that you be granted the opportunity to purchase a second Option, to purchase up to two hundred and thirty-four thousand, seven hundred and four (234,704) shares of Common Stock of the Company under our Plan at the fair market value of the Company's Common Stock, as determined by the Board of Directors on the date the Board approves such grant. The shares of the second Option will vest at the rate of twenty five percent (25%) of the shares at the end of your first anniversary with the Company, and an additional 1/48th of the shares per month thereafter, so long as you remain employed by the Company. However, if within twenty four months of your first day of employment, the Company raises a round of financing, or has a liquidity event (such as a sale of the Company), in which the aggregate value of the Company (on a post-money basis if a financing round) is Two Billion Dollars ($2,000,000,000) or more, then, immediately prior to the transaction, you will forfeit the second Option and all of the shares issued upon exercise of the second Option. Alternatively, if within twenty four months of your first day of employment, the Company raises a round of financing, or has a liquidity event (such as a sale of the Company), in which the aggregate value of the Company (on a post-money basis if a financing round) is less than Two Billion Dollars ($2,000,000,000), then, immediately prior to the transaction, you will forfeit a portion of the second Option and shares issued upon exercise of the second Option such that the value of your holdings as comprised of the first Option and the second Option (and shares issued upon exercise of these options) is equal to what it would have been if the value of the Company had been Two Billion Dollars ($2,000,000,000) and all of the second Option (and shares issued upon exercise of the option) were forfeited.

For avoidance of doubt, this means that if, within twenty four months of your first day of employment, the Company raises a round of financing, or has a liquidity event (such as a sale of the Company), in which the aggregate value of the Company (on a post-money basis if a financing round) is less than Two Billion Dollars ($2,000,000,000), but greater than One Billion, Six Hundred Million dollars ($1,600,000,000), then an amount of the second Option is clawed back such that the value of your holdings as comprised of the first Option plus the remaining portion of the second Option is equal is equal to what it would have been if the value of the Company had been Two Billion Dollars ($2,000,000,000) and all of the second Option (and shares issued upon exercise of the option) were forfeited.

Finally, if within twenty four months of your first day of employment the Company raises a round of financing, or has a liquidity event (such as a sale of the Company), in which the aggregate value of the Company (on a post-money basis if a financing round) is less than One Billion, Six Hundred Million ($1,600,000,000), then none of the second Option shall be clawed back.

The grant of such options by the Company is subject to the Board's approval. Further details on the Plan and any specific option grant to you will be provided upon approval of such grant by the Company's Board of Directors.

6. **Acceleration of Vesting Following Change of Control**. In addition to the vesting described above, if there is a Change of Control and if, during the period of time commencing ninety (90) days prior to the execution of a definitive agreement providing for the consummation of such Change of Control and ending on the first anniversary of the consummation of such Change of Control, your

employment by the Company is terminated by the Company, other than for Cause, or is terminated by you for Good Reason, then, effective as of such termination, 100% of the shares subject to your two options will become vested at the time of such termination (subject to the forfeiture provisions described above).

As used in this Section 6: "*Cause*" means any of the following: (a) you willfully engage in conduct that is in bad faith and materially injurious to the Company, including but not limited to, misappropriation of trade secrets, fraud or embezzlement; (b) you commit a material breach of any written agreement between you and the Company that causes harm to the Company, which breach is not cured within thirty (30) days after receipt of written notice describing in detail such breach to you from the Company; (c) you willfully refuse to implement or follow a directive by your supervisor, directly related to your duties, which breach is not cured within thirty (30) days after receipt of written notice describing in detail such breach to you from the Company; or (d) you engage in material misfeasance or malfeasance demonstrated by a continued pattern of material failure to perform the essential job duties associated with your position, which breach is not cured within thirty (30) days after receipt of written notice describing in detail such breach to you from the Company.

"*Change of Control*" means (a) any transaction or series of related transactions resulting in a liquidation, dissolution or winding up of the Company, (b) a sale of all or substantially all of the assets of the Company that is followed by a liquidation, dissolution or winding up of the Company, (c) any sale or exchange of the capital stock of the Company by the stockholders of the Company in one transaction or a series of related transactions where more than fifty percent (50%) of the outstanding voting power of the Company is acquired by a person or entity or group of related persons or entities (other than pursuant to a recapitalization of the Company solely with its equity holders) or (d) any merger or consolidation (each, a "*combination transaction*"*),* in which the Company is a constituent entity or is a party with another entity if, as a result of such combination transaction, in one transaction or series of related transactions, the voting securities of the Company that are outstanding immediately prior to the consummation of such combination transaction (other than any such securities that are held by an "Acquiring Stockholder," as defined below) do not represent, or are not converted into, securities of the surviving entity in such combination transaction (or such surviving entity's parent entity if the surviving entity is owned by the parent) that, immediately after the consummation of such combination transaction, together possess at least a majority of the total voting power of all voting securities of such surviving entity (or its parent, if applicable) that are outstanding immediately after the consummation of such combination transaction, including securities of such surviving entity (or its parent, if applicable) that are held by the Acquiring Stockholder. For purposes of this paragraph, an "*Acquiring Stockholder*" means a stockholder or stockholders of the Company that (i) merges or combines with the Company in such combination transaction or (ii) directly or indirectly owns or controls a majority of the voting power of another entity that merges or combines with the Company in such combination transaction.

"*Good Reason*" means any of the following actions by the Company without your written consent: (a) a material reduction in your duties or responsibilities that is inconsistent with your position, provided that a mere change of title alone shall not constitute such a material reduction; (b) the requirement that you change your principal office to a facility that increases your commute by more than forty (40) miles from your commute to the location at which you are employed prior to such change, or (c) a material reduction in your annual base salary or a material reduction in your employee benefits (e.g., medical, dental, insurance, short- and long-term disability insurance and 40 l(k) retirement plan benefits, collectively, the "*Employee Benefits*"*)* to which you are entitled immediately prior to such reduction (other than (i) in connection with a general decrease in the salary or Employee Benefits of all similarly situated employees and (ii) following such Change of Control, to the extent necessary to make your salary

or Employee Benefits commensurate with those other employees of the Company or its successor entity or parent entity who are similarly situated with you following such Change of Control).

7. **At Will Employment**. While we look forward to a long and profitable relationship, should you decide to accept our offer, you will be an at-will employee of the Company, which means the employment relationship can be terminated by either of us for any reason, at any time, with or without prior notice and with or without cause. Any statements or representations to the contrary (and, indeed, any statements contradicting any provision in this letter) should be regarded by you as ineffective. Further, your participation in any stock option or benefit program is not to be regarded as assuring you of continuing employment for any particular period of time. Any modification or change in your at will employment status may only occur by way of a written employment agreement signed by you and the Chief Executive Officer of the Company.

8. **Authorization to Work**. Please note that because of employer regulations adopted in the Immigration Reform and Control Act of 1986, within three (3) business days of starting your new position you will need to present documentation demonstrating that you have authorization to work in the United States. If you have questions about this requirement, which applies to U.S. citizens and non-U.S. citizens alike, you may contact our personnel office.

9. **Background Check**. This offer is contingent upon a satisfactory verification of criminal, education, driving and/or employment background. This offer can be rescinded based upon data received in the verification.

10. **Entire Agreement**. This offer, once accepted, constitutes the entire agreement between you and the Company with respect to the subject matter hereof and supersedes all prior offers, negotiations and agreements, if any, whether written or oral, relating to such subject matter. You acknowledge that neither the Company nor its agents have made any promise, representation or warranty whatsoever, either express or implied, written or oral, which is not contained in this agreement for inducing you to execute the agreement, and you acknowledge that you have executed this agreement in reliance only upon such promises, representations and warranties as are contained herein.

11. **Acceptance**. This offer will remain open until **4/21/2018**. If you decide to accept our offer, and I hope you will, please sign the enclosed copy of this letter in the space indicated and return it to me. Your signature will acknowledge that you have read and understood and agreed to the terms and conditions of this offer letter and the attached documents, if any. Should you have anything else that you wish to discuss, please do not hesitate to call me.

We look forward to the opportunity to welcome you to the Company.

Very truly yours,

/s/ Andrew Feldman

Andrew Feldman, CEO

I have read and understood this offer letter and hereby acknowledge, accept and agree to the terms as set forth above and further acknowledge that no other commitments were made to me as part of my employment offer except as specifically set forth herein.

/s/ Dhiraj Mallick

Date signed: April 21, 2018

Cerebras Offer Letter

12/6/2019

Tony Maslowski
[***]

Re: Offer of Employment by Cerebras Systems Inc.

Dear Tony,

I am very pleased to confirm our offer to you of employment with Cerebras Systems Inc. (the "**Company**"). You will initially join in the role of Chief Financial Officer reporting to Andrew Feldman, CEO. The start date is no later than February 10th, 2020. The terms of our offer and the benefits currently provided by the Company are as follows:

1. **Starting Salary**. Your starting salary will be three hundred thousand dollars ($300,000) per year.

2. **Bonus Target**. You shall have an annual bonus target of one hundred thousand dollars ($100,000) at 100% achievement, to be paid on the anniversary of your start date at Cerebras.

3. **Benefits**. In addition, you will be eligible to participate in regular health insurance, bonus and other employee benefit plans established by the Company for its employees from time to time. The Company reserves the right to change or otherwise modify, in its sole discretion, the preceding terms of employment.

4. **Confidentiality**. As an employee of the Company, you will have access to certain confidential information of the Company and you may, during your employment, develop certain information or inventions that will be the property of the Company. To protect the interests of the Company, you will need to sign the Company's standard "Employee Invention Assignment and Confidentiality Agreement" as a condition of your employment. We wish to impress upon you that we do not want you to, and we hereby direct you not to, bring with you any confidential or proprietary material of any former employer or to violate any other obligations you may have to any former employer. During the period that you render services to the Company, you agree to not engage in any employment, business or activity that is in any way competitive with the business or proposed business of the Company. You will disclose to the Company in writing any other gainful employment, business or activity that you are currently associated with or participate in that competes with the Company. You will not assist any other

person or organization in competing with the Company or in preparing to engage in competition with the business or proposed business of the Company.

5. **No Breach of Obligations to Prior Employers**. You represent that your signing of this offer letter, agreement(s) concerning stock options granted to you, if any, under the Plan (as defined below) and the Company's Employee Invention Assignment and Confidentiality Agreement and your commencement of employment with the Company will not violate any agreement currently in place between yourself and current or past employers.

6. **Options**. We will recommend to the Board of Directors of the Company that you be granted the opportunity to purchase two separate options. The First Option will be for up to one million (1,000,000) shares of Common Stock of the Company under our 2016 Equity Incentive Plan (the "**Plan**") at the fair market value of the Company's Common Stock, as determined by the Board of Directors on the date the Board approves such grant. The shares you will be given the opportunity to purchase will vest at the rate of twenty five percent (25%) of the shares at the end of your first anniversary with the Company, and an additional 1/48th of the shares per month thereafter, so long as you remain employed by the Company. The grant of such options by the Company is subject to the Board's approval. Further details on the Plan and any specific option grant to you will be provided upon approval of such grant by the Company's Board of Directors.

In addition, we will recommend to the Board of Directors of the Company that you be granted the opportunity to purchase the Second Option. The Second Option will be for a number of shares defined by the following formula, as of February 29, 2020: Let X equal a number of shares of Common Stock subject to the Second Option such that the following formula is true: (The First Option shares + the Second Option shares)/ Fully diluted share count as of February 29, 2020 = 0.7611%. The Second Option is to buy X number of shares of Common Stock of the Company under our Plan at the fair market value of the Company's Common Stock, as determined by the Board of Directors on the date the Board approves such grant. The shares you will be given the opportunity to purchase will vest at the rate of twenty five percent (25%) of the shares at the end of your first anniversary with the Company, and an additional 1/48th of the shares per month thereafter, so long as you remain employed by the Company. The grant of such options by the Company is subject to the Board's approval. Further details on the Plan and any specific option grant to you will be provided upon approval of such grant by the Company's Board of Directors.

7. **Acceleration of Vesting**. In addition to any shares subject to the options granted above that have become vested shares pursuant to Section 6 above, if there is a Change of Control and if, during the period of time commencing ninety (90) days prior to the execution of a definitive agreement providing for the consummation of such Change of Control and ending on the first anniversary of the consummation of such Change of Control, your employment by the Company is terminated by the Company, other than for Cause, or is terminated by you for Good Reason, then, effective as of such termination, 100% of the then unvested shares subject to the two options described above will become vested shares at the time of such termination.

As used in this Section 6: "*Cause*" means any of the following: (a) you willfully engage in conduct that is in bad faith and materially injurious to the Company, including but not limited to, misappropriation of trade secrets, fraud or embezzlement; (b) you commit a material breach of any written agreement between you and the Company that causes harm to the Company, which breach is not cured within thirty (30) days after receipt of written notice describing in detail such breach to you from the Company; (c) you willfully refuse to implement or follow a directive by your supervisor, directly related to your duties, which breach is not cured within thirty (30) days after receipt of written notice describing in detail such breach to you from the Company; or (d) you engage in material misfeasance or malfeasance demonstrated by a continued pattern of material failure to perform the essential job duties associated with your position, which breach is not cured within thirty (30) days after receipt of written notice describing in detail such breach to you from the Company.

"*Change of Control*" means (a) any transaction or series of related transactions resulting in a liquidation, dissolution or winding up of the Company, (b) a sale of all or substantially all of the assets of the Company that is followed by a liquidation, dissolution or winding up of the Company, (c) any sale or exchange of the capital stock of the Company by the stockholders of the Company in one transaction or a series of related transactions where more than fifty percent (50%) of the outstanding voting power of the Company is acquired by a person or entity or group of related persons or entities (other than pursuant to a recapitalization of the Company solely with its equity holders) or (d) any merger or consolidation (each, a "*combination transaction*"), in which the Company is a constituent entity or is a party with another entity if, as a result of such combination transaction, in one transaction or series of related transactions, the voting securities of the Company that are outstanding immediately prior to the consummation of such combination transaction (other than any such securities that are held by an "Acquiring Stockholder," as defined below) do not represent, or are not converted into, securities of the surviving entity in such combination transaction (or such surviving entity's parent entity if the surviving entity is owned by the parent) that, immediately after the consummation of such combination transaction, together possess at least a majority of the total voting power of all voting securities of such surviving entity (or its parent, if applicable) that are outstanding immediately after the consummation of such combination transaction, including securities of such surviving entity (or its parent, if applicable) that are held by the Acquiring Stockholder. For purposes of this paragraph, an "*Acquiring Stockholder*" means a stockholder or stockholders of the Company that (i) merges or combines with the Company in such combination transaction or (ii) directly or indirectly owns or controls a majority of the voting power of another entity that merges or combines with the Company in such combination transaction.

"*Good Reason*" means any of the following actions by the Company without your written consent: (a) a material reduction in your duties or responsibilities that is inconsistent with your position, provided that a mere change of title alone shall not constitute such a material reduction; (b) the requirement that you change your principal office to a facility that increases your commute by more than forty (40) miles from your commute to the location at which you are employed prior to such change, or (c) a material reduction in your annual base salary or a material reduction in your employee benefits (e.g., medical, dental, insurance, short- and long-term disability insurance and 401(k) retirement plan benefits, collectively, the "*Employee*

Benefits") to which you are entitled immediately prior to such reduction (other than (i) in connection with a general decrease in the salary or Employee Benefits of all similarly situated employees and (ii) following such Change of Control, to the extent necessary to make your salary or Employee Benefits commensurate with those other employees of the Company or its successor entity or parent entity who are similarly situated with you following such Change of Control).

If your employment is terminated due to your death: (1) on or after your second anniversary with the Company and prior to the fourth anniversary with the Company, then 25% of the shares subject to all Company options and RSUs held by you shall become vested (in addition to the standard vesting of those grants), (2) on or after your fourth anniversary with the Company and prior to the sixth anniversary with the Company, then 50% of the shares subject to all Company options and RSUs held by you shall become vested (in addition to the standard vesting of those grants), (3) on or after your sixth anniversary with the Company and prior to the tenth anniversary with the Company, then 75% of the shares subject to all Company options and RSUs held by you shall become vested (in addition to the standard vesting of those grants), or (4) on or after your tenth anniversary with the Company, then 100% of the shares subject to all Company options and RSUs held by you shall become vested (in addition to the standard vesting of those grants).

7. **At Will Employment**. While we look forward to a long and profitable relationship, should you decide to accept our offer, you will be an at-will employee of the Company, which means the employment relationship can be terminated by either of us for any reason, at any time, with or without prior notice and with or without cause. Any statements or representations to the contrary (and, indeed, any statements contradicting any provision in this letter) should be regarded by you as ineffective. Further, your participation in any stock option or benefit program is not to be regarded as assuring you of continuing employment for any particular period of time. Any modification or change in your at will employment status may only occur by way of a written employment agreement signed by you and the Chief Executive Officer of the Company.

8. **Authorization to Work**. Please note that because of employer regulations adopted in the Immigration Reform and Control Act of 1986, within three (3) business days of starting your new position you will need to present documentation demonstrating that you have authorization to work in the United States. If you have questions about this requirement, which applies to U.S. citizens and non-U.S. citizens alike, you may contact our personnel office.

9. **Background Check**. This offer is contingent upon a satisfactory verification of criminal, education, driving and/or employment background. This offer can be rescinded based upon data received in the verification.

10. **Entire Agreement**. This offer, once accepted, constitutes the entire agreement between you and the Company with respect to the subject matter hereof and supersedes all prior offers, negotiations and agreements, if any, whether written or oral, relating to such subject matter. You acknowledge that neither the Company nor its agents have made any promise, representation or warranty whatsoever, either express or implied, written or oral, which is not

contained in this agreement for inducing you to execute the agreement, and you acknowledge that you have executed this agreement in reliance only upon such promises, representations and warranties as are contained herein.

11. **Acceptance**. This offer will remain open until **12/15/2019**. If you decide to accept our offer, and I hope you will, please sign the enclosed copy of this letter in the space indicated and return it to me. Your signature will acknowledge that you have read and understood and agreed to the terms and conditions of this offer letter and the attached documents, if any. Should you have anything else that you wish to discuss, please do not hesitate to call me.

We look forward to the opportunity to welcome you to the Company.

/s/ Andrew Feldman
Andrew Feldman, CEO

I have read and understood this offer letter and hereby acknowledge, accept and agree to the terms as set forth above and further acknowledge that no other commitments were made to me as part of my employment offer except as specifically set forth herein.

/s/ Tony Maslowski Date signed: 12/9/2019

SEPARATION AND RELEASE AGREEMENT

This Separation and Release Agreement ("Agreement") is dated February 15, 2024, and entered into between Tony Maslowski ("you") and CEREBRAS SYSTEMS, INC. ("Company"). You and the Company (together, the Parties) agree as follows:

1 . Separation of Employment Relationship: Your employment relationship with the Company will terminate effective on March 15, 2024 (the "Separation Date"). You will no longer be authorized to transact business or incur any expenses, obligations and liabilities on behalf of the Company after the Separation Date.

2 . Acknowledgements: You acknowledge that the Company relied on the following representations by you in entering into this Agreement:

a. You acknowledge that you do not have a claim of unlawful discrimination; retaliation; harassment; sexual harassment, abuse, assault, alleged criminal conduct, or other alleged unlawful employment practices or unlawful conduct against the Company or any of the Released Parties (as defined below).

b. You have received all compensation due to you through the Separation Date as a result of services performed for the Company with the receipt of your final paycheck, including reimbursement for any estimated overpayment of deductions made for voluntary life insurance premiums, and accrued vacation.

c. You have reported to the Company any and all work-related injuries or occupational illnesses incurred by you during employment with the Company.

d. The Company properly provided any leave of absence because of your or your family member's health condition or military service and you have not been subjected to any improper treatment, conduct or actions due to a request for or taking such leave.

e. You have had the opportunity to provide the Company with written notice of any and all concerns regarding suspected ethical and compliance issues or violations on part of the Company.

3 . Consideration: By signing below, you acknowledge that you are receiving all separation compensation and benefits outlined in this Section 3 in consideration for waiving your rights to claims referred to in this Agreement and that you would not otherwise be entitled to the separation compensation.

a. *Severance Payment.* In return for your promises in this Agreement, and provided that you sign and return this Agreement and do not revoke it, the Company will make a onetime severance payment to you equivalent to six (6) months of your annual salary and 50% of your annual bonus, in the gross amount of two hundred and twenty five thousand dollars ($225,000) (the "Severance Payment") to be paid in the March 15th payroll. Amounts the Company is paying in consideration for the Agreement will be

treated as taxable compensation but are not intended by either party to be treated, and will not be treated, as compensation for purposes of eligibility or benefits under any benefit plan of the Company. All payments in this Agreement are subject to all applicable federal, state and/or local withholding and/or payroll taxes; thus, Company will make deductions, withholdings and tax reports that it reasonably and in good faith determines are required. Please note that the Severance Payment you receive will be net of any such deductions or withholdings. Nothing in this Agreement shall be construed to require Company to make any payments to compensate you for any adverse tax effect associated with any payments, benefits, stock options or for any deduction or withholding from any payment.

b. *COBRA*. In return for your promises in this Agreement, and provided that you sign and return this Agreement and do not revoke it, and upon your timely election to continue your existing health benefits under COBRA, and consistent with the terms of COBRA and the Company's health insurance plan, your COBRA benefits will be extended for thirty six (36) months from your Separation Date ("COBRA Coverage Period"). During the first twenty-four (24) months of your COBRA Coverage Period, the premiums will be paid by the Company (the "Company Coverage Period"), but you will be responsible for any and all co-pays and deductibles. At the end of the Company Coverage Period, during the remaining twelve (12) months of the COBRA Coverage Period, you will be entirely responsible for paying all premiums, as well as any and all co-pays and deductibles. Subject to the above, medical, dental and vision insurance coverage, if any, shall be continued only to the extent required by COBRA and only to the extent you timely fully pay the premium payments yourself after the Company Coverage Period. You understand that if you choose not to sign this Agreement, the Company will cease contributing to the cost of your health insurance premiums on your Separation Date and that, thereafter, you will be responsible for paying 100% of your COBRA premiums.

c. *Accelerated Vesting of Stock Options.* In return for your promises in this Agreement, and provided that you sign and return this Agreement and do not revoke it, the Company agrees to automatically accelerate vesting of all outstanding stock options granted to you by the Company to purchase Company common stock and any restricted stock, restricted stock units or other equity interest in the Company. Except as otherwise set forth below, your rights concerning any and all vested options will continue to be governed by the Stock Option Agreements in place between you and Company.

d. *Extension of Stock Option Exercise Period.* You acknowledge that you have requested the Company to extend the Post-Termination Exercise Period of your vested incentive stock options, and understand the tax consequence of such request. In return for your promises in this Agreement, and provided that you sign and return this Agreement and do not revoke it, the Company shall extend the exercise period for any vested employee stock option(s) as of your Separation Date for (12) months for your option grant priced at $5.02, and eighteen (18) months for your option grant

priced at $7.89. Because your employment is terminating on the Separation Date, none of your unvested shares can ever vest. Except for the extension to your exercise period as set forth in this Section 3.c. your rights concerning any and all vested options will continue to be governed by the Stock Option Agreements in place between you and Company.

I UNDERSTAND THAT TO THE EXTENT ANY OF MY VESTED OPTIONS QUALIFIED AS "INCENTIVE STOCK OPTIONS," THE EXTENSION OF THE POSTTERMINATION EXERCISE PERIOD THEREOF (AS DESCRIBED IN THIS SECTION 3.c), WILL BE A MODICATION OF SUCH INCENTIVE STOCK OPTIONS, WILL DISQUALIFY THE OPTIONS AS INCENTIVE STOCK OPTIONS AND SHALL RESULT IN MY HAVING NON-STATUTORY STOCK OPTIONS. I ALSO AGREE AND UNDERSTAND THAT THIS MEANS THAT WHEN I EXERCISE MY VESTED OPTIONS THAT THE SPREAD BETWEEN THE THEN FAIR MARKET VALUE OF THE UNDERLYING SHARES AND THE EXERCISE PRICE OF MY VESTED OPTIONS WILL BE ORDINARY INCOME THAT WILL BE REPORTED TO ME AS WAGES ON MY W-2 FOR THE YEAR IN WHICH THE EXERCISE OCCURS AND THAT I MUST MAKE ARRANGEMENTS SATISFACTORY TO THE COMPANY FOR THE COLLECTION OF ANY TAX WITHHOLDING AS A RESULT OF THE EXERCISE AND AS A CONDITION TO THE COMPANY HAVING TO RESPECT THE EXERCISE AND DELIVER SHARES TO ME. I UNDERSTAND AND AGREE THAT THE COMPANY WILL DETERMINE IN GOOD FAITH WHAT THE FAIR MARKET VALUE OF THE UNDERLYING SHARES IS AT THE TIME OF EXERCISE AND I AGREE TO ACCEPT THE COMPANY'S DETERMINATION OF FAIR MARKET VALUE AT THAT TIME WITH RESPECT TO THE AMOUNT OF TAX WITHHOLDING THAT IS DUE IN CONNECTION WITH THE EXERCISE.

e. *Waiver of ROFR.* You acknowledge that you have requested the Company waive its Right of First Refusal for all third party stock sales which is set forth in the applicable Company Stock Purchase Agreement ("ROFR"). In return for your promises in this Agreement, and provided that you sign and return this Agreement and do not revoke it, Company agrees to waive the ROFR. In addition, the Company agrees to waive any transaction fees charged by the Company arising from the sale of your shares in the Company in the secondary market, prior to any Company IPO.

4. Full and Final Release: In exchange for the severance benefits provided by the Company under Section 3 of this Agreement, you, for yourself personally and your representatives, spouse, heirs, executors, administrators, successors and assigns, fully, finally and forever release and discharge the Company and its parents, subsidiaries, affiliates, and related entities, as well as their respective successors, assigns, officers, owners, directors, agents, representatives, attorneys, insurers, and employees, shareholders, members and managers (Released Parties), of and from all claims and potential claims that may legally be waived by private agreement, whether known or unknown, which you have asserted or could assert against the Company arising out of or

relating in any way to acts, circumstances, facts, transactions, or omissions based on facts occurring up to and including the date you sign this Agreement. Specifically included in this waiver and release are, among other things, claims of unlawful discrimination, harassment, retaliation, or failure to accommodate; related to terms and conditions of employment; for compensation or benefits; and/or for wrongful termination of employment, under Title VII of the Civil Rights Act of 1964, the Americans with Disabilities Act, the Civil Rights Act of 1866, the Employee Retirement Income Security Act (ERISA), the Age Discrimination in Employment Act (ADEA), the Family and Medical Leave Act (FMLA), the National Labor Relations Act (NLRA), the Pregnancy Discrimination Act, the Worker Adjustment Retraining and Notification Act, and as applicable depending upon the jurisdiction where you were employed, any analogous state laws related to your employment including state fair employment or anti-discrimination laws, wages payment or minimum wage laws, equal pay acts, paid or unpaid family and medical leave laws, and any amendments to such laws, or any other federal, state or local statute, constitution, charter, rule, ordinance, regulation or order [or those of any other county], as well as claims in equity or under the common law for tort, breach of contract (express or implied, written or oral), wrongful discharge, defamation, emotional distress, and negligence or other unlawful behavior.

As an employee residing in the state of California, then you are releasing all rights under section 1542 of the California Civil Code, which provides:

> A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that, if known by him or her would have materially affected his or her settlement with the debtor or released party.

5 . Non-Admission: You understand and agree that the release and accord and satisfaction set forth in Section 4 constitute a final compromise of the claims released thereby, and is not an admission by the Released Parties that any such claims exist and/or of liability by the Released Parties with respect to such claims. Nothing in this Agreement, nor any of its terms and provisions, nor any of the negotiations or proceedings connected with it, constitutes, will be construed to constitute, will be offered in evidence as, received in evidence as and/or deemed to be evidence of an admission of liability or wrongdoing by any and/or all of the Released Parties, and any such liability or wrongdoing is hereby expressly denied by each of the Released Parties. The release and the accord and satisfaction in Section 4 are, however, and may be asserted by any one or more of the Released Parties as an absolute and final bar to any suit or proceeding brought by you against any one or more of the Released Parties; *provided*, *however*, that nothing contained in this Agreement shall be construed to prevent an action for breach of this Agreement itself.

6 . Property and Proprietary Information: You shall not retain, use and/or disclose any confidential and/or proprietary information you learned or acquired while employed by the Company, including, but not limited to, personnel and compensation information other than your own; financial information and data; technical data and information; programmatic and operational information; customer identities and information; marketing plans, data and

information; business information; strategy; research; information related to the Company's computer and/or communications systems; and/or information the nature of which would commonly be reasonably understood to be confidential ("Confidential Information"), except as required by law. You further promise that you shall not directly or indirectly use, disclose, reproduce, sell, retain, remove from the premises, make available to any other person or entity, or use for your own or for any other person or entity's benefit, any portion of the Confidential Information. You also promise that you shall not use any such Confidential Information to damage Releasees or their interests, or any other person or entity with which the Company does business. By signing this Agreement, you certify that: (i) you have returned to the Company any and all Confidential Information and except for the Company Issued Laptop (as defined below), all other materials, documents and/or property belonging to the Company and/or any of its affiliated entities, including the originals and any and all copies thereof, whether in hard copy or electronic form, which were in your possession or under your control, including without limitation files, documents, lists, records, customer information, manuals, reports, software and hardware, laptops, printers, computers, cell phone, iPhone, iPad, tablet, blackberry or other PDA, keys, equipment, identification cards, access card, corporate credit cards, mailing lists, rolodexes, personnel information, electronic information and files, computer print-outs, and computer disks and tapes, all without any destruction, deletion, alteration or any other type of compromise, whether such data and/or property was in hard copy or electronic form, (ii) after returning such property to the Company, you have not retained any copies of any Confidential Information and/or any other materials, documents and/or property belonging to the Company and/or any of its affiliated entities, (iii) after returning such property to the Company, you have permanently deleted all Confidential Information from your home and/or personal computer drives and from any other personal electronic, digital or magnetic storage devices, and (iv) you shall remain in strict compliance with your obligations under any applicable Company policies, including without limitation those restricting the use of Confidential Information, prohibiting conflicts of interest, prohibiting solicitation of employees or customers, prohibiting competition, and assigning intellectual property. Notwithstanding anything to the contrary, as long as you entirely delete or erase all Company data, content and/or information, including but not limited to Confidential Information, from the Company issued Apple Macbook Pro (the "Company Issued Laptop"), you will be entitled to retain possession of the Company Issued Laptop after your Separation Date.

7. Confidentiality of Agreement: The provisions and negotiation of this Agreement will be held in strictest confidence by you and will not be publicized or disclosed in any manner whatsoever except as required pursuant to legal process (e.g., a judicially enforced subpoena); provided, however, that you may disclose this Agreement to members of your immediate family, to your attorney, accountant/tax preparer, and financial advisor if necessary to obtain their professional advices, or as may be necessary to enforce the Agreement's terms or as otherwise required by law. In particular, and without limitation, you agree not to disclose the terms of this Agreement to any current or former Company employee(s).

8. Cooperation: You agree to cooperate with the Company to the extent it involves any litigation against the Company by a third party and as it directly relates to matters within your knowledge or responsibility. In any legal proceeding, or prior to providing any witness

declaration or other sworn testimony, you are obligated to disclose to Company's designated legal counsel any information you have or testimony that you may give, which has potential adverse consequences for the Company or that may negatively impact Company's claims or defenses in that proceeding or action. At all times you are compelled to provide truthful sworn testimony. With reference to the scope of your cooperation, at the Company's sole and exclusive expense you agree (i) to meet with Company legal counsel or legal representatives, at mutually convenient times and places with respect to any items within the scope of this provision; (ii) if subpoenaed to appear as a witness to provide truthful testimony regarding same to any court, agency, or other adjudicatory body; (iii) to provide the Company with notice of contact by any non-governmental adverse party or such adverse party's representative, except as may be required by law. The Company shall reimburse you for all out-of-pocket expenses incurred by you in connection with the cooperation described in this paragraph. Additionally, Company will compensate you a rate of Five Thousand Dollars ($5,000) per day, with a two hour minimum, for your time providing Company with assistance and cooperation related to any litigation against the Company, including but not limited to the Rex patent case.

This paragraph shall not require you to cooperate with the Company regarding any claim, charge or litigation in which you are a charging or complaining party, or any confidential investigation by a government agency in which you are asked by such agency to maintain information in confidence.

9 . Mutual Non-Disparagement: You agree that you shall not make, directly or indirectly, to any person or entity, including but not limited to the Company's present, future, and/or former employees and/or clients, and/or the press, any negative, derogatory or disparaging oral, written and/or electronic statements about the Company, their Executive Management Team, their board members, shareholders, officers, current or former employees or agents whether acting in their individual or representative capacity, their products and services, or your employment with and/or separation from employment with the Company, or do anything which damages the Company or any of its and/or their products and services, reputation, good will, financial status, or business or client relationships. You further agree not to post any such statements on the internet or any blog or social networking site, including but not limited to Facebook, Glassdoor, LinkedIn, or any other internet site or platform.

The Company and all the Released Parties agree that he/she/it/they shall not make directly or indirectly any negative or disparaging oral or written statements to any third parties about You.

10. Employment Reference Inquiries: You will direct all employment reference inquiries to Andrew Feldman, at [***] and/or members of the Board of Directors of the Company, past or present. The Company will respond to all such reference requests by prospective employers by providing only dates of employment and job title.

11. Non-Solicitation: Commencing on the Separation Date, and for a period of twelve (12) months thereafter, you shall not directly or indirectly, offer any employment to or solicit services from, or endeavor to solicit or hire away, from the Company, any employee or customer of the Company, or interfere with any material business relationship of the Company.

12. Applicable Law: This Separation Agreement shall be governed by and interpreted under the law of the state of California. Venue of any disputes shall be and take place in the Superior Court for the County of Santa Clara.

13. Complete Release: This Release constitutes the complete and total agreement between you and the Company with respect to issues addressed in this Agreement, except your obligations you may have under any other Agreements with the Company regarding the non-disclosure of trade secrets and confidential or proprietary information, prohibiting solicitation of customers, suppliers, or employees, prohibiting competition with the employer, assigning intellectual property, or providing for a dispute resolution mechanism, contained in any agreements you have entered into with the Company under applicable law. You understand and agree that you continue to be bound by the terms of your onboarding and new hire documentation, including (without limitation) your Proprietary Information And Inventions Agreement, which shall be fully incorporated by reference herein, which contain obligations that apply following your Separation Date. You represent that you are not relying on any other written or oral representations not fully expressed in this document. You agree that this Agreement shall not be modified, altered, or discharged except by written instrument signed by you and an authorized Company representative. The headings in this document are for reference only, and shall not in any way affect the meaning or interpretation of this Agreement.

14. Severability: You agree that should any part of this Agreement be found to be void or unenforceable by a court of competent jurisdiction, that determination will not affect the remainder of this Agreement.

15. Use As Evidence: The Parties agree that this Agreement may be used as evidence in a subsequent proceeding in which any of the Parties allege a breach of this Agreement or as a complete defense to any lawsuit brought by any party. Other than this exception, the Parties agree that this Agreement will not be introduced as evidence in any proceeding or in any lawsuit.

16. Binding Agreement and Covenant Not to Sue: You understand that following the Revocation Period (as defined below), this Agreement will be final and binding. You promise not to pursue any claim that is settled by this Agreement. If you break this promise or fail to comply with your obligations under the Agreement, you agree to pay all of the Company's costs and expenses (including reasonable attorneys' fees) related to the defense of any claims covered by this Agreement or any Released Party's efforts to enforce the terms of this Agreement, except this covenant not to sue does not apply to claims under the Older Worker Benefit Protection Act (OWBPA) and the ADEA. Although you are releasing claims that you may have under the ADEA, you may challenge the knowing and voluntary nature of this release before a court, the Equal Employment Opportunity Commission (EEOC) or any other federal, state, or local agency charged with the enforcement of any employment laws. You understand, however, that if you pursue a claim against the Company under the OWBPA and/or the ADEA to challenge the validity of this Agreement and the Company prevails on the merits of an ADEA claim, or a Released Party files a lawsuit or arbitration to enforce any part of this Agreement, a court has the discretion to determine whether the Company is entitled to restitution, recoupment, or set off (hereinafter "reduction") against a monetary award obtained by you in the court proceeding. A

reduction never can exceed the amount you recover, or the consideration you received for signing this Agreement, whichever is less. This provision is not intended to preclude otherwise available recovery of attorneys' fees or costs specifically authorized under applicable law.

17. Advice of Counsel: By this provision of the Agreement, you are hereby advised in writing to consult with an attorney and/or any other advisor of your choice before signing this Agreement. You acknowledge that you have read and fully understand the terms of this Agreement. You further acknowledge that you have had the opportunity to consult with an attorney of your choice regarding the terms of this Agreement prior to signing this Agreement.

In any legal action or other proceeding arising out of the terms of this Separation Agreement or brought to enforce or interpret the terms of this Separation Agreement, the "prevailing party" shall be entitled to recover reasonable attorneys' fees and costs. The "prevailing party" is defined as that party who has been awarded a judgment after trial on the merits of a result that is more than 50% favorable to it/him/her based on its claims or counter-claims.

18. Consideration Period: Because you are 40 years of age or older, you are hereby informed that you have or might have specific rights and/or claims under the Age Discrimination and Employment Act of 1967, as amended (the "ADEA"). You acknowledge that, in consideration for the amounts described in Section 3, which you are not otherwise entitled to receive, you, knowingly and voluntarily, are waiving and releasing any rights you may have under the ADEA. You also acknowledge that: (a) you have been advised by this writing that you should consult with an attorney prior to executing this Agreement; (b) you have at least twenty-one (21) days within which to consider this Agreement (the "Consideration Period"); and (c) you understand and agree that any changes to the Agreement (whether material or immaterial) will not restart the consideration and review period. **You must not sign this Agreement prior to the Separation Date.** If you choose to sign this Agreement before the Consideration Period ends, you represent that it is because you freely chose to do so after carefully considering its terms. You agree the Company has made no threats or promises to induce you to sign earlier.

19. Revocation Period: You shall have seven (7) calendar days from the date you sign this Agreement to revoke this Agreement by delivering a written notice of revocation to the same person as you returned this Agreement (Revocation Period). If the Revocation Period expires on a weekend or holiday, you will have until the end of the next business day to revoke. This Agreement will become effective on the day after the end of the Revocation Period (Effective Date), provided you do not revoke this Agreement.

20. Return of Signed Agreement: You are required to return your signed Agreement and any written revocation notice.

21. No Amounts Owing. You acknowledge and agree that, except for the specific financial consideration in this Agreement, you have been paid and provided all wages, commissions, incentive pay, bonuses, vacation pay, sick pay, paid time off, holiday pay, stock and stock options, equity, severance pay, expenses, and any other form of compensation that may be due to you now or in the future in connection with your employment with or separation of employment

from Company. The payments in Sections 3 shall be complete payment, settlement, accord and/or satisfaction with respect to all obligations and liabilities of the Released Parties to You.

22. No Interference with Rights: You understand this Agreement does not apply to (i) claims for unemployment or workers' compensation benefits, (ii) claims or rights that may arise after the date that you sign this Agreement, (iii) claims for reimbursement of expenses under the Company's expense reimbursement policies, (iv) any vested rights under the Company's ERISA-covered employee benefit plans as applicable on the date you sign this Agreement, and (v) any claims that controlling law clearly states may not be released by private agreement. Moreover, nothing in this Agreement (including but not limited to the acknowledgements, release of claims, the promise not to sue, the confidentiality and non-disparagement obligations, cooperation, and the return of property provision) prevents you from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that you have reason to believe is unlawful or waives your right to testify in an administrative, legislative, or judicial proceeding concerning alleged criminal conduct or alleged sexual harassment on the part of the Company, or on the part of the agents or employees of the Company, when you have been required or requested to attend such a proceeding pursuant to a court order, subpoena, or written request from an administrative agency or the legislature, or is intended to or will be used in any way to limit your rights to make truthful statements or disclosures regarding unlawful employment practices, provided that you shall not reveal proprietary information consisting of non-public trade secrets, business plans, and customer information; (vii) limits or affects your right to challenge the validity of this Agreement under the ADEA or the OWBPA, (viii) prevents you from communicating with, filing a charge or complaint with; providing documents or information voluntarily or in response to a subpoena or other information request to; or from participating in an investigation or proceeding conducted by the Equal Employment Opportunity Commission, National Labor Relations Board, the Securities and Exchange Commission, the Occupational Safety and Health Administration, law enforcement, or any other any federal, state or local agency charged with the enforcement of any laws, or from responding to a subpoena or discovery request in court litigation or arbitration (ix) precludes you from exercising your rights, if any, under Section 7 of the NLRA or under similar state law to engage in protected, concerted activity with other employees, including discussing your compensation or terms and conditions of employment, although by signing this Agreement you are waiving your right to recover any individual relief (including any backpay, front-pay, reinstatement or other legal or equitable relief) in any charge, complaint, or lawsuit or other proceeding brought by you or on your behalf by any third party, except for any right you may have to receive a payment or award from a government agency (and not the Company) for information provided to the government agency or where otherwise prohibited

Notwithstanding your confidentiality and non-disclosure obligations in this Agreement and otherwise, you understand that as provided by the Federal Defend Trade Secrets Act, you will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret made: (1) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and solely for the purpose of reporting or investigating a suspected violation of law; or (2) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

By Company: CEREBRAS SYSTEMS, INC.

In exchange for the promises contained in this Agreement, the Company shall pay and deliver the Severance Amount and provide the benefits set forth in this Agreement.

2/19/24	Andrew Feldman, CEO	/s/ Andrew Feldman
Date	Name/Title	Signature

By You:

I, THE UNDERSIGNED BELOW, REPRESENT THAT I HAVE BEEN ADVISED IN WRITING TO CONSULT WITH A LAWYER BEFORE SIGNING THIS AGREEMENT, I HAVE READ THE FOREGOING AGREEMENT, I FULLY UNDERSTAND ITS TERMS AND CONDITIONS AND ITS LEGAL AND BINDING EFFECT, AND I AM VOLUNTARILY, DELIBERATELY AND OF MY OWN FREE WILL EXECUTING IT. IN ENTERING INTO THIS AGREEMENT, I DO NOT RELY ON ANY REPRESENTATION, PROMISE OR INDUCEMENT MADE BY THE RELEASED PARTIES WITH THE EXCEPTION OF THE CONSIDERATION DESCRIBED IN THIS DOCUMENT.

2/19/2024	Anthony E. Maslowski	/s/ Anthony E. Maslowski
Date	Employee Name	Signature

Portions of this exhibit, indicated by [***], have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The omitted information is (i) not material and (ii) treated by the Registrant as private or confidential.

**Portions of this exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K.
The Registrant undertakes to furnish a copy of all omitted information, schedules, and exhibits to the U.S. Securities and Exchange Commission upon its request.**

FRAMEWORK AGREEMENT

FOR THE SUPPLY OF GOODS

between

G42 HOLDING US LLC

and

CEREBRAS SYSTEMS, INC.

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Schedule 1 – Template Purchase Order

Schedule 2 – Supply Contract Terms

This Framework Agreement is dated 13 September 2023

Parties

(1) **G42 HOLDING US LLC** a company incorporated and registered under the laws of the State of Delaware, issued a Delaware State File Number of 7626371 by the Secretary of State of the State of Delaware and whose principal place of business is at [***] (**G42**).

(2) **CEREBRAS SYSTEMS**, **INC.**, a company incorporated and registered under the laws of the State of Delaware, issued a Delaware State File Number by the Secretary of State of the State of Delaware of 6009247 and whose registered office is at 1237 E. Arques Avenue Sunnyvale, California 94085, (**Supplier**).

BACKGROUND

(A) G42 [***] wish to purchase the Supplier's Goods from time to time under this framework agreement (**Framework Agreement**).

(B) When G42 [***] requests Goods from the Supplier or its Affiliates, and the Supplier (or the relevant Affiliate) is able to provide such Goods, the relevant parties will enter into a separate Supply Contract (as defined below) in accordance with this Framework Agreement.

Agreed terms

1. Definitions and interpretation

The following definitions and rules of interpretation shall apply to this Framework Agreement.

1.1 Definitions:

Affiliate means: (i) in respect of the Supplier another person that directly or indirectly, through one or more intermediaries, Controls, is Controlled by, or is under common Control with, the Supplier; and (ii) in relation to G42, includes [***] and any person that is Controlled by [***].

Anti-Bribery Law means all applicable laws, decrees and regulations prohibiting corruption and improper payments to government officials, commercial bribery, money laundering, and other similar anti-bribery and anti-corruption laws and regulations.

Business Day: a day other than a Saturday, Sunday or public holiday in the [***].

Commencement Date: the date of execution of this Framework Agreement.

Control means the possession, directly or indirectly, of the power to direct or cause the direction of the management, business or policies of another, whether through the ownership of shares, by contract or otherwise, or the power to elect or appoint at least fifty percent (50%) of the directors, managers, partners or other individuals exercising similar authority, and **Controlling** and **Controlled** shall be construed accordingly.

Framework Agreement: means this agreement together with the Schedules to it.

G42 Affiliate: an Affiliate of G42.

G42 Representative: means a person duly authorised to act on behalf of G42 [***] for the purposes of this Framework Agreement and identified to the Supplier by written notice from G42 or [***].

Goods: the goods to be provided by the Supplier under a Supply Contract, including any associated services, software or other deliverables.

Group 42 Holding means Group 42 Holding Limited, a company registered in the Abu Dhabi Global Market [***].

Insolvency Event: means the occurrence of any one or more of the following events in relation to a party: (i) the party becomes unable to pay its debts, admits its inability to pay its debts or becomes insolvent; (ii) the party voluntarily declares bankruptcy; (iii) the party is subject to involuntary bankruptcy proceedings (which are not dismissed within [***]) or makes an assignment for the benefit of its creditors; (iv) a petition is presented, an order made or a resolution passed for the liquidation (otherwise than for the purposes of a solvent amalgamation or reconstruction), administration, bankruptcy or dissolution of the party; (iii) an administrative or other receiver, manager, trustee, liquidator, administrator or similar person or officer is appointed to the party and/or over all or any part of the assets of the party; or (iv) the party enters into or proposes any composition or arrangement concerning its debts with its creditors (or any class of its creditors) generally; (v) or anything analogous or equivalent to any of the events or circumstances listed in limbs (i) to (v) (inclusive) occurs in any applicable jurisdiction.

Purchase Order: means any purchase order issued to the Supplier by G42 [***] in respect of the Goods to be supplied under a Supply Contract, a template of which is at Schedule 1.

Supply Contract: an agreement for the provision of Goods by the Supplier to G42 [***] agreed in accordance with clause 2 (Supply Contracts) and incorporating the terms and conditions set out in: (i) the applicable Purchase Order; and (ii) Schedule 2.

1.2 Clause, schedule and paragraph headings shall not affect the interpretation of this Framework Agreement.

1.3 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).

1.4 The Schedule forms part of this Framework Agreement and shall have effect as if set out in full in the body of this Framework Agreement. Any reference to this Framework Agreement includes the Schedules.

1.5 A reference to a **company** shall include any company, corporation or other body corporate, wherever and however incorporated or established.

1.6 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.

1.7 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.

1.8 A reference to legislation or a legislative provision is a reference to it as amended, extended or re-enacted from time to time.

1.9 A reference to legislation or a legislative provision shall include all subordinate legislation made from time to time under that legislation or legislative provision.

1.10 A reference to **writing or written** includes fax and email.

1.11 Any obligation on a party not to do something includes an obligation not to allow that thing to be done.

1.12 A reference to **this Framework Agreement** or to any other agreement or document is a reference to this Framework Agreement or such other agreement or document, in each case as varied from time to time.

1.13 References to clauses and Schedule are to the clauses and the Schedule of this Framework Agreement and references to paragraphs are to paragraphs of the relevant Schedule.

1.14 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

2. Supply Contracts

2.1 This Framework Agreement governs the overall relationship between the parties in relation to the Goods provided by the Supplier to G42 [***], and sets out:

(a) in this clause 2, the procedure for G42 [***] to request the provision of Goods from the Supplier under separate Supply Contracts;

(b) in Schedule 1, the template Purchase Order, to be issued by G42 [***];

(c) in Schedule 2, the terms that shall be incorporated into each Supply Contract.

2.2 The G42 Representative may from time to time request in writing (including by email) the provision of any goods which the Supplier supplies in the course of its business.

2.3 Within [***] of receipt of a written request from the G42 Representative, the Supplier shall:

(a) either notify G42 that it is unable to provide the requested goods; or

(b) complete the template Purchase Order at Schedule 1 and submit a draft to G42 for its written approval or [***] (as applicable).

2.4 A Supply Contract shall not enter into force, be legally binding or have any other effect unless:

(a) a valid Purchase Order has been: (i) mutually agreed to by G42 [***] and Supplier in writing; and (ii) issued to the Supplier by G42 [***]; and

(b) as of the date the Purchase Order is issued, this Framework Agreement has not been terminated.

2.5 Each Supply Contract:

(a) shall be entered into by: (i) G42 [***]; and (ii) the Supplier; and

(b) forms a separate contract between its signatories.

3. Commencement and duration

This Framework Agreement shall commence on the Commencement Date and shall continue until terminated in accordance with clause **4** (Termination).

4. Termination

4.1 Without affecting any other right or remedy available to it, either party may terminate this Framework Agreement with immediate effect by giving written notice to the other party if:

(a) the other party commits a material breach of any term of this Framework Agreement and (if such breach is remediable) fails to remedy that breach within a period of [***] after being notified in writing to do so; or

(b) an Insolvency Event occurs in relation to the other party.

4.2 Without affecting any other right or remedy available to it, either party may terminate this Framework Agreement for convenience on giving not less than [***] written notice to the other party.

5. Survival

5.1 On termination of this Framework Agreement, howsoever arising, each Supply Contract then in force at the date of such termination shall continue in full force and effect for the remainder of the term of such Supply Contract, unless terminated earlier in accordance with the terms of such Supply Contract.

5.2 The termination of any Supply Contract shall not affect any other Supply Contracts or this Framework Agreement.

5.3 On termination of the Framework Agreement, the following clauses shall continue in force: clause 1 (Interpretation), clause 5 (Survival), clause 6 (Confidentiality), clause 18 (Governing law) and clause 19 (Jurisdiction).

5.4 Termination of this Framework Agreement shall not affect any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination, including the right to claim damages in respect of any breaches of the agreement which existed at or before the date of termination.

6. Confidentiality

6.1 Each party undertakes that it shall not disclose to any person any confidential information concerning the business, affairs, customers, clients or supplier of the other party or any of its Affiliates, except as permitted by clause 6.2.

6.2 Each party may disclose the other party's confidential information:

(a) to its employees, officers, representatives, contractors, subcontractors or advisers who need to know such information for the purposes of exercising the party's rights or carrying out its obligations under or in connection with this Framework Agreement. Each party shall ensure that its employees, officers, representatives, contractors, subcontractors or advisers to whom it discloses the other party's confidential information comply with this clause 6; and

(b) as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority.

6.3 No party shall use any other party's confidential information for any purpose other than to exercise its rights and perform its obligations under or in connection with this Framework Agreement.

7. Compliance

7.1 Each party undertakes that:

(a) it has not committed and will not commit any offence under any Anti-Bribery Law (a " **Bribery Offence**");

(b) it has not been formally notified that it is subject to an investigation relating to alleged Bribery Offences or prosecution or enforcement action under any Anti-Bribery Law;

(c) it is not aware of any circumstances that could give rise to an investigation relating to an alleged Bribery Offence or prosecution or enforcement action under any Anti-Bribery Law; and

(d) it shall not provide any money, negotiable securities, entertainment activities, or other kind of bribes to any of party hereunder or any of such party's or its

Affiliates' employees, principals, managers or their relatives, nor to any government or national staff and their relatives, for the purpose of obtaining or retaining business opportunities.

7.2 Each party shall notify the other party [***] in writing if it becomes aware or has reason to believe that it or any of its Affiliates has, or any of its or its Affiliates' employees, subcontractors, agents or other third party working on its or their behalf has, breached or potentially breached this clause 7. Such notice to set out full details of the circumstances concerning the breach or potential breach of this clause 7.

7.3 Each party warrants that:

(a) neither it or any of its Affiliates (nor any of its or its Affiliates' principals, owners, officers, directors, or agents) is: (i) the subject of economic sanctions maintained by the United States, European Union, United Kingdom, or United Nations (a "**Blocked Party**"); (ii) ordinarily resident, located, or organised in a jurisdiction which is the subject of countrywide or territory-wide sanctions administered by the United States, European Union or United Kingdom (a "**Restricted Country**"); (iii) owned or Controlled by, or acting on behalf of, any of the foregoing; or (iv) a person with whom transactions are otherwise prohibited under any sanctions laws of the United States, European Union, United Kingdom, or other similar governmental bodies with regulatory authority over the other party or any of its Affiliate; and

(b) in relation to its activities with the other party and such party's Affiliates, neither party or its Affiliates will engage in any business or dealings, directly or indirectly, with any: (i) Blocked Party; (ii) person or entity owned or Controlled by, or acting on behalf of, any Blocked Party; or (iii) person or entity resident, located, or organised in a Restricted Country.

8. Variation

No variation of this Framework Agreement shall be effective unless it is in writing and signed by the parties (or their authorised representatives).

9. Waiver

9.1 A waiver of any right or remedy under this Framework Agreement or by law is only effective if given in writing and shall not be deemed a waiver of any subsequent right or remedy.

9.2 A failure or delay by a party to exercise any right or remedy provided under this Framework Agreement or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict any further exercise of that or any other right or remedy. No single or partial exercise of any right or remedy provided under this Framework Agreement or by law shall prevent or restrict the further exercise of that or any other right or remedy.

10. Rights, remedies and liability

10.1 Except as expressly provided in this Framework Agreement, the rights and remedies provided under this Framework Agreement are in addition to, and not exclusive of, any rights or remedies provided by law.

10.2 To the extent permitted by applicable law, in no event will either party be liable under any contract, tort, statutory, indemnity or other legal or equitable theory, including negligence, for any indirect, incidental, punitive, special or consequential damages arising under this Framework Agreement, even if such party has been advised of the possibility of such damages and whether not such damages are foreseeable.

10.3 The parties acknowledge that the liability of the parties to each Supply Contract shall be determined by the liability arrangements agree by such parties and specified in such Supply Contract.

11. Severance

11.1 If any provision or part-provision of this Framework Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of this Framework Agreement.

11.2 If any provision or part-provision of this Framework Agreement is deemed deleted under clause 11.1 the parties shall negotiate in good faith to agree a replacement provision that, to the greatest extent possible, achieves the intended commercial result of the original provision.

12. Entire agreement

12.1 This Framework Agreement constitutes the entire agreement between the parties in relation to its subject matter and supersedes and extinguishes all agreements, arrangements, promises, undertakings, proposals, warranties, representations and understandings between them at any time before their respective signature (**Pre-Contractual Statements**), whether written or oral, relating to its subject matter.

12.2 Each party acknowledges that in entering into this Framework Agreement it does not rely on any Pre-Contractual Statement made by or on behalf of the other party (whether made innocently or negligently) in relation to the subject matter of this Framework Agreement, other than those which are set out expressly in this Framework Agreement.

12.3 Each party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on, and hereby waives all rights and remedies which might otherwise be available to it in relation to, any Pre-Contractual Statement.

12.4 Nothing in this clause 12 shall limit or exclude the liability of either party arising out of any precontractual fraudulent misrepresentation or fraudulent concealment.

13. Assignment and other dealings

Neither party shall assign, transfer, mortgage, charge, subcontract, delegate, declare a trust over or deal in any other manner with any or all of its rights and obligations under this Framework Agreement without the prior written consent of the other party.

14. No partnership or agency

14.1 Nothing in this Framework Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between any of the parties, constitute any party the agent of another party, or authorise any party to make or enter into any commitments for or on behalf of any other party.

14.2 Each party confirms it is acting on its own behalf and not for the benefit of any other person.

15. Third party rights

Unless it expressly states otherwise, this Framework Agreement does not give rise to any rights under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Framework Agreement.

16. Notices

16.1 Any notice given to a party under or in connection with this Framework Agreement shall be in writing and shall be delivered by hand or next working day delivery service at its registered office.

16.2 Any notice shall be deemed to have been received:

(a) if delivered by hand, at the time the notice is left at the proper address;

(b) if sent by next working day delivery service, [***]; or

(c) if sent by email, at the time of transmission, or, if this time falls outside business hours in the place of receipt, when business hours resume. In this clause 16.2(c), business hours means [***].

16.3 This clause does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.

17. Counterparts

17.1 This Framework Agreement may be executed in any number of counterparts, each of which shall constitute a duplicate original, but all the counterparts shall together constitute the one agreement.

17.2 Transmission of an executed counterpart of this Framework Agreement (but for the avoidance of doubt not just a signature page) by email (in PDF, JPEG or other agreed format) shall take effect as the transmission of an executed "wet-ink" counterpart of this Framework Agreement. If this method of transmission is adopted, without prejudice to the validity of the Framework Agreement thus made, each party shall on request provide the others with the "wet-ink" hard copy originals of their counterpart.

17.3 No counterpart shall be effective until each party has provided to the others at least one executed counterpart.

18. Governing law

This Framework Agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

19. Jurisdiction

Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Framework Agreement or its subject matter or formation.

IN WITNESS WHEREOF, the parties hereto have duly executed this Framework Agreement in any number of counterparts of identical content as of the date first above written.

EXECUTED for and on behalf of

G42 HOLDING US LLC

/s/ Martin Edelman

Name: Martin Edelman

Title: Authorised Signatory

Date: 13/09/2013

EXECUTED for and on behalf of

CEREBRAS SYSTEMS, INC.

/s/ Andrew Feldman

Name: Andrew Feldman

Title: Authorised Signatory

Date: 8/24/2023

SCHEDULE 1

TEMPLATE PURCHASE ORDER

PURCHASE ORDER (**LEGAL**)	
This Purchase Order is dated [INSERT DATE](the **Commencement Date**).	
PARTIES	
[CEREBRAS ENTITY NAME] incorporated and registered in [INSERT], with company number [INSERT] whose registered office is at [INSERT] (the **Supplier**)**.**	[***] incorporated and registered in [INSERT], with company number [NUMBER]whose registered office is at [REGISTERED OFFICE ADDRESS] (**G42**)**.**
BACKGROUND	
1. G42 HOLDING US LLC and CEREBRAS SYSTEMS, INC. entered into a framework agreement dated [INSERT DATE] (Framework Agreement), allowing G42 or any of its Affiliates to request Goods from [INSERT CEREBRAS ENTITY NAME]. 2. Pursuant to the Framework Agreement, G42 requests certain Goods to be provided by the Supplier, and the Supplier agrees to provide such Goods to G42 in accordance with this Supply Contract. 3. Unless otherwise stated or the context otherwise requires: (i) the terms set out in Schedule 2 of the Framework Agreement shall apply to this Purchase Order and are hereby incorporated by reference; and (ii) the definitions and rules of interpretation set out in Schedule 2 of the Framework Agreement shall apply to this Purchase Order.	

PURCHASE ORDER (COMMERCIAL)	
Project	[INSERT]
Purchase Order No.	[INSERT]
Purchase Requisition No.	[INSERT]
GOODS	
Goods	[INSERT]
Acceptance Period	[INSERT]
FEES	
Goods	[INSERT]
Total Fees	[INSERT]
DELIVERY ARRANGEMENTS	
Delivery Location	[INSERT]
Delivery Terms	[INSERT]
Delivery Date	[INSERT]
Invoice Address	[INSERT]
WARRANTY* AND SPECIFICATIONS	
Warranty Period *(only if different from Supply Contract)	[INSERT]
Specifications	[INSERT]
Validation Checks/ Acceptance Criteria	[INSERT]
OTHER DETAILS	
Liability Cap [Requires Supplier initials]	[INSERT]
Liquidated Damages	[INSERT]
Importer of Record (only if applicable)	[INSERT]
Special Terms	[INSERT]

SIGNATURES
IN WITNESS WHEREOF, the parties hereto have duly executed this Purchase Order in any number of counterparts of identical content as of the date first above written.
EXECUTED for and on behalf of [**INSERT G42 PURCHASING ENTITY NAME**]
Name:
Title: Authorised Signatory
Date:
EXECUTED for and on behalf of [**INSERT SUPPLIER ENTITY NAME**]

Name:
Title:
Date:

Schedule 2 Supply Contract Terms

The Supplier agrees to supply and G42 agrees to purchase the applicable Goods and/or Services to G42 on the terms and conditions set out in: (i) this Schedule 2 (Supply Contract Terms); and (ii) the applicable Purchase Order. The Supplier expressly agrees that it shall be deemed to be bound by the terms set out in this Schedule 2 upon acceptance of the applicable Purchase Order and on proceeding to provide the relevant Goods and/or Services to G42.

1. Definition and Interpretation

1.1 In this Supply Contract:

Acceptance Period means, for the purposes of clause 3.4, the period of time specified in the relevant Purchase Order;

Affiliates means, in relation to either Party, its holding companies, its subsidiaries, the subsidiaries of each of its holding companies and any other entities where such party possesses the power to determine the direction to be taken by these entities;

Business Day means a day other than a Saturday, Sunday or public holiday in the [***].

Commencement Date has the meaning given to it in the Purchase Order;

Confidential Information means any information (i) which is confidential and proprietary in nature; (ii) which has been designated as confidential; or (iii) the unauthorised disclosure of which would prejudice the interests of either Party and/or any of its Affiliates;

Defect means any material defects in or failure of the Goods and/or Works which includes the same not being delivered in accordance with the requirements of this Supply Contract and/or not materially conforming to the quantity, quality, description, specification, patterns, samples, testing or performance requirements specified in this Supply Contract;

Deliverables means, in relation to the Services, the deliverables set out in the Purchase Order or otherwise mutually agreed to by the Parties in writing;

Delivery Date means the delivery date for each of the Goods as specified in the Purchase Order or as communicated to the Supplier by G42 from time to time;

Delivery Location means where the Goods are to be delivered and installed (as required), as set out in the Purchase Order or communicated to the Supplier by G42 from time to time;

Delivery Terms means: (i) the delivery terms specified in the applicable Purchase Order; or (ii) if the applicable Purchase Order does not specify any delivery terms, [***];

EULA means the Supplier' End User License Agreement, as modified herein by the amendments set forth in the Exhibit to this Schedule 2, which is incorporated into and made part of the Purchase Order;

Fees means the fees in respect of the Services and/or Goods as set out in the Purchase Order;

Documentation means user manuals, protocols or other documentation provided by the Supplier under this Supply Contract in connection with the Goods and related to the use of the Goods, which shall be provided in the English language;

Force Majeure Event means any event beyond the reasonable control of the affected Party which could not be prevented by the affected Party undertaking reasonable precautions, to the extent such event prevents or delays the performance of its obligations under this Supply Contract;

G42 means the [***];

Goods means the goods being procured by G42 as listed in the Purchase Order;

Good Industry Practice means the best practices which would reasonably be expected to be observed by a skilled and experienced Supplier engaged in carrying out activities the same as or similar to the Services and/or the Works;

Indemnified Persons means a Party and [***];

IPR means all intellectual property rights, including copyright and authors rights, database rights and rights in patents, designs, images, inventions, utility models, trade names, trademarks, service marks, trade dress or get-up, goodwill, domain names, know-how, trade secrets and all other intellectual property rights, registered or unregistered, anywhere in the world;

Liability Cap has the meaning given to it in the applicable Purchase Order;

Liquidated Damages means, if applicable, the amounts set out in the Purchase Order which are payable by the Supplier to G42 for specified breaches of this Supply Contract;

Parties means G42 and the Supplier collectively, and each individually being referred to as a **Party;**

Purchase Order means the purchase order issued to the Supplier for the delivery of Services and/or Goods which is accepted by Supplier in writing, which shall be automatically generated by G42 and upon Supplier's acceptance forms part of this Supply Contract;

Project has the meaning ascribed to it in the Purchase Order;

Project Materials means any Deliverables created by the Supplier or its representatives, Affiliates or subcontractors for G42 pursuant to this Supply Contract, excluding the Supplier's Materials;

Services means the services set out in the Purchase Order and includes the provision of the Deliverables;

Site means each of the various premises at which Services and/or Works are to be performed, as specified in the Purchase Order or notified to the Supplier by G42 from time to time;

Supplier means the entity specified as such in the Purchase Order;

Supplier's Materials means IPR, Confidential Information, Documentation, Software (as defined in the EULA), data, materials and other tangible and intangible property of the Supplier (i) made available by the Supplier to G42 for the purpose of this Supply Contract; and (ii) not created as Project Materials in the course of providing the Services. Supplier's Materials includes any improvements, derivatives, updates and upgrades to Supplier's Materials, but expressly excludes all G42 Confidential Information and G42 IPR;

Supply Contract means the terms and conditions set out in the applicable Purchase Order, this Schedule 2 and the EULA collectively;

Term has the meaning ascribed to it in clause 2.1;

Validation Checks means such checks and acceptance criteria expressly specified in the Purchase Order, which may apply to the Goods, Services or Works in order to determine acceptance in accordance with clauses 3.4 and 4.5 below;

VAT has the meaning ascribed to it in Federal Decree Law No (8) of 2017 on Value Added Tax (as amended and updated from time to time) and any other laws, resolutions, regulations and circulars issued by the Federal Tax Authority (as established pursuant to Federal Decree Law No. (13) of 2016) in connection thereof;

Warranty Period means a minimum period of [***] or such longer warranty period as may be set out in the Purchase Order or the Documentation;

Works means, in relation to the Goods, the installing, testing and commissioning of the Goods, all work at the Delivery Location necessary for taking such actions, any remedial obligations during the Warranty Period and all ancillary services as mutually agreed upon by the Parties in writing.

1.2 In this Supply Contract the words include and including shall mean including without limitation.

1.3 Except where otherwise expressly provided or set out therein, if there is a conflict or inconsistency among any of the provisions in this Schedule 2, the Purchase Order or any

other exhibit or appendices or any documents referred to or otherwise incorporated into this Supply Contract, the order of descending precedence will be as follows: (1) the Purchase Order; (2) the terms set out in this Schedule 2; (3) any other exhibits or appendices; or (4) any documents referred to or otherwise incorporated into this Supply Contract to the extent of the conflict or inconsistency.

2. Term

2.1 This Supply Contract shall commence from the Commencement Date and shall continue and remain in full force and effect until the delivery of the Goods and completion of the Works and/or Services (as applicable) to the reasonable satisfaction of G42 (the Term), unless terminated in accordance with the provisions of this Supply Contract or as otherwise agreed in writing by the Parties.

3. Time, Performance and Acceptance of the Services

3.1 Any time for the performance and delivery of the Services (or any part thereof) shall be as agreed by the Parties in writing and shall be of the essence. Any failure by the Supplier to perform the Services as agreed shall constitute a material breach of this Supply Contract except to the extent caused by a Force Majeure Event. If no time for the performance of the Services is agreed, then the Supplier shall perform such Services [***] in accordance with Good Industry Practice.

3.2 The Supplier shall perform the Services in compliance with all G42 policies set forth in the Purchase Order or otherwise agreed to by Supplier in writing from time to time.

3.3 When visiting or providing Services at the Site(s), the Supplier must comply with all workplace policies and procedures, including health and safety, security and information protection requirements, and all policies and procedures, directions or instructions of G42 or the owner or occupier of each relevant Site.

3.4 Each Deliverable shall be subject to acceptance by G42, with such acceptance occurring on the earlier of: [***]. G42 will use [***] notify the Supplier of its acceptance or rejection of a Deliverable [***] after the date of receipt (not to exceed [***] as may be specified in the relevant Purchase Order). A failure or delay by G42 to notify the Supplier of its acceptance or rejection of a Deliverable shall constitute deemed acceptance. If a Deliverable is rejected by G42, the Supplier shall [***] correct and re-submit the same for acceptance [***] (or within such longer period as may be agreed by the Parties acting reasonably) from the date of such rejection at the Supplier's own costs. G42 shall use [***] notify the Supplier of its acceptance or rejection of any re-submitted Deliverable [***] after the date of receipt (not to exceed [***] as may be specified in the relevant Purchase Order). If a Deliverable is rejected [***], G42 shall have the right to terminate this Supply Contract for material breach pursuant clause 13.2.

4. Delivery, Installation and Acceptance of Goods

4.1 The Supplier shall deliver the Goods, together with the full and complete copies of the Documentation, as set forth in the Purchase Order, at the Delivery Location on the Delivery Date in accordance with the relevant Delivery Terms or, if no such date is specified in the Purchase Order[***], except to the extent a delay is due to a Force Majeure Event. Time is of the essence as to the delivery of the Goods and if the Supplier does not comply with its obligations in the preceding sentence beyond the applicable cure period, G42 may, without prejudice to any other rights or remedies that it may have:

a) cancel the Purchase Order in whole or in part without incurring any liability to the Supplier;

b) refuse to accept any subsequent delivery of items comprised in the Goods which the Supplier attempts to make;

c) purchase substitute items elsewhere; and/or

d) hold the Supplier accountable for any loss and additional reasonable costs to the extent actually incurred by G42 due to the Supplier's unexcused delay.

4.2 The Goods shall be properly packed and secured in accordance with Good Industry Practice and in such manner as to enable them to reach the Delivery Location in good condition. No charge shall be made for wrapping, packing, cartons, boxes, crating or containers unless specified in the Purchase Order, and G42 shall not be responsible for returning those materials.

4.3 The Goods shall be delivered by the Supplier [***], or as otherwise specified by G42 in writing quoting G42's Purchase Order number. The Goods shall be received at the Delivery Location, subject to G42's inspection and approval. Any Goods which G42 rejects as not conforming to the Purchase Order shall be returned at the Supplier's full risk and expense.

4.4 Unless G42 and the Supplier have, before or at the same time as the Purchase Order, agreed in writing (signed on behalf of G42) additional conditions regarding preparation of or environmental requirements at the Site at which the Goods are to be delivered and/or installed, the Supplier acknowledges and agrees that the Goods are suitable to be installed and used at the Site(s) at which G42 intends to use them and that there are no additional conditions regarding Site preparation or environmental requirements.

4.5 In relation to installation and acceptance tests:

a) except where clause 4.5(e) applies, the Supplier shall, without further charge to G42, deliver the Goods at the Delivery Location and/or install the Goods at the premises at which G42 intends to use them and subject the Goods to their standard acceptance tests, including any Validation Checks that may be carried out by G42;

b) if the Goods pass those tests, the Supplier will issue an acceptance certificate to that effect to G42, but receipt by G42 of such an acceptance certificate will not constitute legal acceptance by G42;

c) if the Goods do not (on any attempt) pass those tests, the Supplier will (without affecting G42's other rights and remedies) [***] carry out all necessary remedial work and resubmit the Goods to the tests as set out in clause 4.5(a) and clause 4.5(b);

d) If all the tests have not been successfully completed [***], G42 shall have the same rights as it would have had if the Supplier had not performed its obligations under clause 4.1; and

e) if G42 and the Supplier have, before or at the Commencement Date, agreed otherwise in writing (signed on behalf of G42), then G42 (itself or through a third party) will be responsible for testing and/or installing the Goods and clauses 4.5(a) to 4.5(d) shall not apply,

4.6 In no event shall G42 be deemed to have accepted the Goods or any constituent part of it unless it has notified the Supplier of its acceptance in writing. G42 may also reject the Goods as though they had not been accepted [***] if any Defect in the Goods has become apparent.

5. Risk and Property

5.1 The Goods shall be at [***] until delivery to G42 at the Delivery Location, or as otherwise specified by G42 in accordance with clause 4.3. The Supplier shall off-load the Goods [***].

5.2 Ownership of the Goods shall pass to G42 on [***] in accordance with the Purchase Order. The passing of ownership in the Goods is without prejudice to any right of rejection to which G42 may be entitled under this Supply Contract or otherwise.

6. Works

6.1 The Supplier is responsible for managing the health and safety issues arising from the provision of the Works and from working at the Delivery Location, excluding any negligent acts or omissions of G42 or an unsafe or hazard at G42's site.

6.2 The Supplier is responsible for evaluating in advance if any consents, licenses or approvals are needed to carry out the Works and to obtain such consent, licence or approval to the extent set forth in the Purchase Order.

6.3 Whilst at the Delivery Location, the Supplier shall:

a) comply with G42's safety and security standards, procedures and codes and any reasonable instructions and guidelines communicated to Supplier by G42 in writing prior to access to the Delivery Location;

b) [***] ensure minimal risk to the Supplier's working environment and surrounding areas in its performance of this Supply Contract;

c) ensure that the Supplier does not create any unclean, unsafe and unnecessary obstructions in the Delivery Location;

d) [***] minimise any disruption caused to the business or activities of G42 by the Supplier performing its obligations pursuant to this Supply Contract. The Supplier shall consult with G42 on any possible disruption or interference prior to carrying out the relevant activity;

e) ensure that the Works are carried out in a thorough and manner complying with the applicable specifications set forth in the Purchase Order; and

f) store or remove any surplus Supplier's Materials and clear away any of its waste or debris from the Delivery Location.

6.4 If requested by G42, the Supplier shall notify G42 in advance of the names of all personnel working at the Delivery Location. The Supplier shall notify G42 at least [***] in advance in the event that the personnel need access to the Delivery Location outside of the [***] and shall ensure that any such access is fully supervised.

6.5 The Supplier shall be responsible for all means and resources it requires to reach the full achievement of its commitments and obligations under this Supply Contract. The Supplier will provide (as appropriate) all tools, equipment and machinery necessary to supply the Goods and perform the Works and ensure such assets are properly kept and maintained. Risk in all tools, equipment and machinery shall remain with the Supplier at all times except to the extent caused by G42's negligent acts or omissions. G42 is not required to provide access to any services unless agreed in advance in writing with G42.

6.6 In the event that G42 supplies any material or tooling to the Supplier, these shall only be used for the purposes of the Works and the Supplier shall be fully responsible for and shall indemnify G42 in respect of any loss or damage to the same caused by the negligent acts of Supplier.

7. Undertakings, Representations and Warranties

7.1 The Supplier represents, warrants and undertakes to G42 that:

a) it possesses and shall maintain all requisite, consents, certificates, licences, permits and authorisations to enter into this Supply Contract and for the performance of the Services;

b) it shall keep itself acquainted with and comply with all applicable laws;

c) it will ensure that its personnel, representatives and/or subcontractors comply with the confidentiality obligations under this Supply Contract;

d) it will comply with all its obligations in this Supply Contract and it will provide the Services with all care, skill and diligence and in accordance with Good Industry Practice;

e) it will ensure that the Services are free from any material Defect and of good workmanship,

f) not infringing any third party's IPR and should there be any defects, deficiencies or illegalities caused by Supplier, shall resolve and/or rectify the same [***];

g) it will not nor will it permit or authorise the making of any announcement or reference to this Supply Contract, the Services or to G42 and /or its Affiliates, during the subsistence of this Supply Contract or after its termination or expiry or to use or exploit any name, insignia or logo of G42 or its Affiliates at any time in any manner;

h) it shall not knowingly or negligently take or do any action or permit or suffer any omission that would be detrimental to the goodwill associated with G42's or its Affiliates' names or create unfavourable publicity or bring disrepute to G42 or any of its Affiliates at any time.

7.2 The Supplier further represents, warrants and undertakes to G42 that the Goods, the Works and all Supplier's Materials, supplied by Supplier in the course of the provision of the Works shall:

a) conform to the specifications in the Purchase Order or otherwise communicated to the Supplier by G42 and shall otherwise meet the requirements of this Supply Contract;

b) comply with all applicable laws;

c) be of satisfactory quality;

d) be fit for their intended purpose to the extent expressly stated in the Purchase Order or made known to the Supplier by G42 in writing prior to the Commencement Date;

e) be free from Defects (including Defects of design, functionality, materials and workmanship) and will remain so for the Warranty Period;

f) not infringe the IPR of any third party;

g) operate and perform in accordance with their respective requirements and technical specifications set forth in the Documentation;

h) comply with any samples, prototypes, mock up or patterns accepted by G42;

i) be free and clean of all liens, claims and encumbrances or any defect in title;

j) operate in accordance with the Documentation and that the Documentation provides adequate instruction to enable G42 to make proper use of the Goods; and

k) incorporate only new equipment, material, components and substances which are suitable for use as part of the Goods or Works.

7.3 The Supplier shall ensure that warranties offered by third parties in respect of the Goods or any part of the Goods are transferred to G42 on transfer of the title of the Goods or as soon after as is reasonably practical.

7.4 Any violation or non-compliance with any of the representations, warranties and undertakings set out above, which are not cured within the applicable cure period set forth in clause 13 below, shall constitute a material breach of this Supply Contract.

8. Remedies

8.1 Without prejudice to G42's right to indemnification under clause 14, in the event that during the Warranty Period any Defect is discovered in the Goods, the Documentation or in any constituent parts thereof, the Supplier shall promptly (and, unless agreed otherwise with G42, within [***] remedy such Defect at no expense to G42. The requirement to correct Defects may be satisfied by the Supplier providing such permanent remedy as may be necessary to prevent a recurrence of the Defect and rectifying the Defect in such a manner as to ensure that the standard of performance, operation and appearance of the Goods, the Documentation or constituent part (as applicable) is not downgraded from the applicable specifications by virtue of the remedy.

8.2 If any Defect is not rectified promptly (and, unless agreed otherwise with G42, within [***], Supplier will refund to G42 all payments for the non-conforming Goods or Service that proves Defective under the applicable warranty. clauses 8.1 and 8.2 above set forth G42's sole and exclusive remedy for Goods and/or Services that do not comply with the limited warranties in clause 7.1(d), 7.1(e) and 7.2 above and are in lieu of any other right or remedy except for warranties for compliance with laws and infringement which are not limited by the remedy herein. No returns or warranty claims will be accepted by Supplier unless G42 has notified Supplier within the Warranty Period. Supplier acknowledges and agrees that [***] shall not apply to Supplier's refund obligations under this clause 8.2.

8.3 No inspection or testing or acceptance of the Goods shall relieve the Supplier of liability for any Defect in the Goods unless the Defect was discovered during the relevant testing or inspection and G42 elects to accept the Goods with the Defect subject to a reasonable abatement to the Fees agreed by G42.

8.4 If the Supplier fails to complete to G42's satisfaction the Services in accordance with the provisions in this Supply Contract, then G42 shall be entitled (i) to terminate this Supply Contract for material breach pursuant to clause 13.2; and/or (ii) to impose financial compensation in accordance with clause 13.3 or as otherwise mutually agreed by the

Parties in writing, which may include payment by the Supplier of Liquidated Damages to G42. Without prejudice to any other rights or remedies, should the Services be delayed and such delay continue for [***] (except to the extent a delay is due to a Force Majeure Event), G42 shall have the right terminate this Supply Contract for material breach pursuant to clause 13.2.

8.5 **Disclaimer.** Notwithstanding anything to the contrary herein, the foregoing warranty shall not apply, and Supplier expressly disclaims any warranties or responsibility whatsoever with respect to non-conformance of Goods and/or Services or claims to the extent the non-conformity or claim is caused in whole or in part by: (i) compliance with G42's specifications, designs, intellectual property, data or other G42 or third-party contributions; (ii) Goods that have been abused, damaged, altered or misused by any person or entity other than Supplier or its authorized representatives or agents after title passes to G42; (iii) Goods not used or maintained in a normal and proper manner, in accordance with the Documentation for such Goods provided by Supplier (iv) installation, storage, handling, warehousing or transportation by any party other than Supplier or its personnel or subcontractors not in accordance with the Documentation for such Goods provided by Supplier; (v) Goods being subjected to physical, thermal, or electrical stress, smoke or water damage outside the limits specified in the Documentation provided by Supplier; (vi) Goods tampered with, modified, altered, or repaired by anyone other than Supplier or its authorized representatives or agents (vii) the combination of the Goods with other materials, software or equipment not provided or authorized by Supplier; (viii) Goods moved by G42 or any third party not authorized by Supplier (other than the Supplier's authorized representatives or agents) to another facility; (iv) Goods assigned, sold or transferred to an entity other than G42 or moved to any facility other than the facility in which such Goods were installed; (x) first articles, prototypes, pre-production units, evaluation units, test units or other similar Goods; (xi) inadequate utility service, failure of electrical or other energy supplies, incorrect physical environment, or other inadequate facilities or utilities, each as inadequacy is indicated in the instruction manuals and/or pre-installation instructions, or (xii) any Force Majeure Event. G42 acknowledges that Cerebras shall not be liable for any costs and expenses incurred to remedy or cure any Defect or non-conformance caused by the exclusions set forth in the Disclaimers in this clause 8.5(i) through (xii). EXCEPT AS EXPRESSLY SET FORTH IN THIS SUPPLY CONTRACT, THE GOODS, DELIVERABLES, SUPPLIER'S MATERIALS, PROJECT MATERIALS, RELATED DOCUMENTATION AND ALL SERVICES ARE PROVIDED "AS IS" AND SUPPLIER MAKES NO OTHER REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, INCLUDING BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, TITLE, FITNESS FOR A PARTICULAR PURPOSE, OR NON-INFRINGEMENT OF THIRD-PARTY RIGHTS. SUPPLIER DOES NOT WARRANT THAT THE USE OF ANY GOODS OR SERVICE WILL BE UNINTERRUPTED OR ERROR-FREE, NOR DOES SUPPLIER WARRANT THAT THE GOODS WILL PRESERVE OR MAINTAIN G42'S OR THIRD PARTY DATA WITHOUT LOSS. SUPPLIER SHALL NOT BE LIABLE FOR DELAYS, INTERRUPTIONS, SERVICE FAILURES OR OTHER PROBLEMS INHERENT IN USE OF THE INTERNET AND ELECTRONIC COMMUNICATIONS. SUPPLIER DOES NOT MAKE ANY WARRANTIES AND SHALL HAVE NO OBLIGATIONS WITH

RESPECT TO THIRD PARTY GOODS OR APPLICATIONS. The foregoing warranty, disclaimers and limited remedies do not apply to Software provided or made available by Supplier, which is governed by the EULA.

9. Payment

9.1 Subject to the Supplier performing the Services and/or delivering the Goods in accordance with this Supply Contract, G42 shall pay to the Supplier the Fees as set forth in the mutually agreed upon Purchase Order.

9.2 The Supplier shall be entitled to render invoices upon G42's acceptance (or deemed legal acceptance) as set forth in this Supply Contract at the time and in the manner stated in Purchase Order. Payment shall be made in accordance with the payment terms set out in the Purchase Order, including with all supporting documents and information as may be required by G42 or by law. If an invoice is not presented in accordance with this clause 9.2 and the Purchase Order then G42 shall not be obliged to make any payment in relation to such invoice.

10. Intellectual Property Rights

10.1 Each Party undertakes not to do or permit anything which may adversely affect the IPR of the other Party or its Affiliates, or assist or allow others to do so.

10.2 If any part of the Services, Goods and/or the Deliverables include the Supplier's Materials, as long as G42 is in compliance with its obligations under this Supply Contract and the EULA, the Supplier grants to G42 the relevant licenses which (i) are non-exclusive, worldwide, non-assignable[***], perpetual and irrevocable; (ii) entitle G42 and its Affiliates to use the Services, Goods and/or the Deliverables and all such Supplier's Materials which have been included into the Services, Goods and/or the Deliverables; and (iii) are fully paid-up and not subject to any on-going or additional fees, royalties or charges.

10.3 The title and interest in and to the Project Materials shall belong exclusively to G42 free from all encumbrances upon creation. The Supplier shall, at no cost to G42, do all things necessary to assign or procure the necessary assignments to G42 for all IPR relating to the Project Materials and shall waive or procure the necessary waivers on all moral rights that exist or may exist in the Project Materials. Notwithstanding anything to the contrary, G42 agrees that Supplier retains all rights, title and interest in and to the Supplier's Materials.

10.4 G42 shall not and shall not permit any of third party to disassemble, reverse compile, reverse engineer, decompile, download, copy, or otherwise translate the Supplier's Materials, whatsoever. Neither Party may use the other Party's trade secrets, trademarks, trade names, service marks, logos, domain names, patents, copyrights, or other IPR other than as expressly set forth in this Supply Contract or the EULA, except upon the express written consent of the other Party. G42 shall not and shall not permit any third party to remove, obscure, or alter any propriety rights notices (including

copyright, trademark, trade secret, domain names, and patent notices) which may be affixed to or contained within the Goods or Supplier's Materials. Notwithstanding anything to the contrary herein, Supplier may freely use and incorporate (without any compensation to G42) into Supplier's products and services any suggestions, enhancement requests, recommendations, corrections, or other feedback provided by G42 or by any users of the Services relating to Goods or Services.

11. Confidentiality and Announcements

11.1 Each Party shall keep all Confidential Information of the other Party in strictest confidence and shall (i) not use the other Party's Confidential Information for any purpose other than the fulfilment of its obligations under this Supply Contract; (ii) not disclose the Confidential Information to any third party without the prior written consent of the disclosing Party; and (iii) protect and treat all Confidential Information with the same degree of care as it uses to protect its own confidential information and in no event less than Good Industry Practice.

11.2 The Supplier may disclose the Confidential Information to its personnel, Affiliates, representatives and subcontractors only to the extent strictly necessary for the performance of the Services and on a need-to-know basis only, subject always to each such person entering into a written confidentiality undertaking with the Supplier on terms similar to this clause 11 prior to such disclosure.

12. Force Majeure

Neither Party will be in breach of this Supply Contract if it is unable to perform or fulfil its obligations as a result of the occurrence of a Force Majeure Event.

13. Termination

13.1 G42 shall be entitled to terminate this Supply Contract [***] on giving the Supplier written notice of termination; provided however, G42 shall have no right to terminate any Purchase Order or any Support Subscription other than for Supplier's uncured breach as set forth in clause 13.2 below.

13.2 Each Party shall have the right to terminate this Supply Contract [***] by written notice to the other Party if the other Party is in material breach of any of its obligations under this Supply Contract and either that breach is incapable of remedy or the breaching Party has failed to remedy that breach within [***] of receiving written notice requiring it to remedy that breach.

13.3 If G42 terminates this Supply Contract pursuant to clause 13.1, G42 shall pay to the Supplier the outstanding Fees in any Purchase Order, and for Deliverables properly delivered or carried out prior to the effective date of termination on a pro rata basis. If either Party exercises its rights of termination under clause 13.2, the non-breaching Party shall be entitled to claim damages and compensation pursuant to any losses, costs

and/or expenses suffered or incurred pursuant to the breach subject to the limitation of liability set forth in clause 14.4 below.

13.4 G42 shall not be liable to the Supplier for any losses, claims, damages, fees, liabilities, costs or expenses suffered or incurred by the Supplier resulting from any termination of this Supply Contract (except for the amounts set forth on Purchase Orders which cannot be terminated), except due to termination due to G42's breach beyond the applicable cure periods.

13.5 Upon expiry or termination of this Supply Contract, the Supplier shall, at no additional cost to G42 (except for termination due to G42's uncured breach), and without limitation (i) [***] deliver to G42 or, if instructed by G42, thoroughly destroy, and permanently erase the G42 Confidential Information, all Deliverables and Project Materials (in any state of completion) and any other materials or documents relating to the business of G42, its Affiliates, the Services or the Project that are in the Supplier's possession or control. The Supplier must also ensure that anyone to whom it has supplied any G42 Confidential Information returns, destroys or permanently erases (to the extent technically practicable) such G42 Confidential Information and any copies made thereof; (ii) [***] and entirely remove, cancel and/or terminate all access previously granted or made available by G42 to the Supplier to access any premises, systems or equipment pursuant to this Supply Contract; (iii) return to G42 all security passes, access cards and/or identification cards (including any passwords), provided in connection to the provision of the Services; and (iv) ensure a smooth transition to any actual or potential replacement Supplier appointed by G42 (if any). Upon termination of this Supply Contract for cause pursuant to clause 13.2 due to G42's breach or insolvency, all licenses granted to G42 to use the Supplier's Materials will immediately cease (to the extent the Fees for the relevant Supplier's Materials are not yet paid) and G42 will make any Goods not yet paid for available for collection by Supplier, and, to the extent the Fees for the relevant Documentation or Supplier's Materials (as applicable) are not yet paid, G42 shall: (A) [***] return to Supplier all such Documentation, and other Supplier's Materials in its possession and control; and (B) have no further rights to use such Supplier's Materials immediately upon expiration or termination herein.

13.6 Any expiry or termination of this Supply Contract shall not affect any accrued rights or liabilities of either Party. clauses 10, 11, 13, 14, 18 and 19 shall remain in full force and effect notwithstanding any termination or expiry of this Supply Contract.

13.7 The Parties acknowledge and agree that the entitlement to terminate this Supply Contract pursuant to this clause 13 is in accordance with the meaning of consent and mutual consent under applicable laws, and that a court order will not be required to give effect to any termination of this Supply Contract under this clause 13.

14. Liability and Indemnity

14.1 Each Party shall indemnify and hold harmless the other Party and its Indemnified Persons from all claims, damages, liabilities and losses suffered or incurred by the other

Party or its Indemnified Persons arising out of or in connection with any claim by a third party for death, personal injury or damage to property arising out of: [***].

14.2 Subject to clause 14.2(a), 14.2(b) and 14.2(c) below, Supplier shall indemnify G42 and its Indemnified Persons in full against all liabilities, costs, expenses, damages and losses [***] suffered or incurred by G42 to the extent arising out of, or in connection with any third party claim made against G42 for [***].

a) Notwithstanding anything to the contrary herein, Supplier shall be relieved of all liability and the above indemnity obligations to the extent that: (i) the Goods, Deliverables, Supplier's Materials, or the Project Materials (including any software embedded therein) are not used or maintained in a normal and proper manner, in accordance with the Documentation provided to G42; (ii) the liability or indemnification obligation arises out of improper installation, storage, handling, warehousing or transportation by any party other than Supplier (including its authorized agents and representatives); (iii) the Goods, Deliverables, Supplier's Materials, or the Project Materials (including any software embedded therein) were or are subjected to unusual physical, thermal, or electrical stress, smoke or water damage; (vi) the Goods, Deliverables, Supplier's Materials, or the Project Materials that were or are moved, tampered with, modified, altered, or repaired by anyone other than Supplier (or its authorized representatives or agents); [***].

b) If any third party makes a claim, or notifies an intention to make a claim against G42 or its Indemnified Persons, G42 shall: (i) [***] give Supplier written notice of the claim, specifying the nature of the claim in reasonable detail; (ii) not make any admission of liability, agreement or compromise in relation to the claim without Supplier's prior written consent; (iii) give Supplier and its professional advisers access at reasonable times (on reasonable prior notice) to personnel and to any relevant assets, accounts, documents and records within G42's power or control, so as to enable Supplier and its professional advisers to examine them and to take copies for the purpose of assessing the claim; and (iv) [***] against any claim, liability, costs, expenses, damages or losses which may be incurred, take such action as Supplier may reasonably request to avoid, dispute, compromise or defend the claim.

c) The [***] shall not apply [***] and this clause 14.2 shall survive termination of this Supply Contract; *provided however,* the following shall apply to infringement claims. Supplier may at its sole option:

(i) procure, at no cost to G42, the right to continue using the Goods on a non-infringing basis;

(ii) replace or modify the Goods to render it non-infringing; or

if, in Supplier' reasonable opinion, neither (i) nor (ii) above are commercially feasible, immediately terminate this Supply Contract with regard to such infringing Goods and refund to Customer any pre-paid fees for use of the Goods.

14.3 The Supplier shall maintain at all times industry standard insurance policy or policies adequately insuring the Supplier against potential liabilities under this Supply Contract to an extent and to limits that would be reasonably expected in accordance with Good Industry Practice and applicable laws.

14.4 **Limitation of Liability**.

a) **Indirect Damages Exclusion.** SUBJECT TO CLAUSE 14.4.c. BELOW, TO THE EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER ANY CONTRACT, TORT, STATUTORY, INDEMNITY OR OTHER LEGAL OR EQUITABLE THEORY, INCLUDING NEGLIGENCE, FOR [***] EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND WHETHER OR NOT SUCH DAMAGES ARE FORESEEABLE.

b) **Total Liability Cap.** SUBJECT TO CLAUSE 14.4.c. BELOW, EACH PARTY'S AGGREGATE LIABILITY ARISING OUT OF OR IN CONNECTION WITH ANY GOODS, SOFTWARE, SERVICES OR ANY OTHER ASPECTS OF THIS SUPPLY CONTRACT WILL NOT EXCEED: [***] CLAUSE 14(a) AND THIS CLAUSE 14(b) WILL NOT APPLY TO: [***] BUT SHALL OTHERWISE APPLY, NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED HEREIN.

c) **Exceptions.** NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, CLAUSE 14.4.a. AND 14.4.b. ABOVE SHALL NOT APPLY TO [***].

15. Export

15.1 Subject to Supplier's obligations under clauses 15.2 and 15.3, neither Party shall export, directly or indirectly, any technical data acquired from the other Party under this Supply Contract (or any Goods, including software, incorporating any such data) in breach of any applicable laws or regulations in relation to export control ("Export Control Laws"), including United States export laws and regulations, to any country for which the government or any agency thereof at the time of export requires an export license or other governmental approval without first obtaining such license or approval. Each Party undertakes: (i) contractually to oblige any third party to whom it discloses or transfers any such data or Goods to make an undertaking to it in similar terms to the one set out above; and (ii) if requested, to provide the other Party with any reasonable assistance, at the reasonable cost of the other Party, to enable it to perform any activity required by any competent government or agency in any relevant jurisdiction for the purpose of compliance with any Export Control Laws. Unless the Parties agree otherwise, Supplier will be the Exporter of Record for all Goods, Works, Services, Deliverables or other materials delivered to G42. As Exporter of Record, Supplier will be responsible for obtaining necessary export licenses and other government approvals required for

export, and for preparing export documentation such as commercial invoices, shipper's export declarations, and international waybills. The relevant Purchase Order will specify which party is the Importer of Record; and which party bears responsibility for import documentation and other fees, including but not limited to VAT and duties.

15.2 Supplier represents, warrants and undertakes to G42 that Supplier's supply of the Goods, Works, Services and Deliverables under this Supply Contract (including their export from the United States of America to the United Arab Emirates) will not violate or require a license or approval under any applicable law or regulations, including the U.S. Export Administration Regulations, the U.S. International Traffic in Arms Regulations and/or any other applicable laws and/or regulations that govern the unauthorized export, reexport or transfer of any item, including technical data.

15.3 To the extent the supply of any Goods, Works, Services or Deliverables under this Supply Contract (including their export from the United States of America to the United Arab Emirates) does require a license or approval, or violates any such laws and/or regulations, Supplier will, at G42's option: (i) if the supply of the relevant Goods, Works, Services or Deliverables is prohibited under any such applicable laws and/or regulations, refund to G42 all sums received by Supplier in respect of any affected Goods, Works, Services and Deliverables; and (ii) if the supply of the relevant Goods, Works, Services or Deliverables is permitted under license or approval, obtain such license or approval [***].

16. Notices

Any notice to be served under this Supply Contract shall be in writing and sent to the address of the Party as set out in the Purchase Order. A notice shall be effective upon evidenced receipt.

17. Governing Law and Dispute Resolution

This Supply Contract and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales. Each Party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Supply Contract or its subject matter or formation. The Parties expressly agree that the UN Convention on Contracts for the International Sale of Goods shall not apply and is hereby explicitly excluded.

18. Assignment and Subcontracting

18.1

a) This Supply Contract is personal to the Supplier. The Supplier shall not assign, delegate, transfer, charge, factor or otherwise dispose of all or any of its rights and

responsibilities under this Supply Contract unless it obtains G42's prior written consent.

b) Subject to clause 18.1(c), the benefit of this Supply Contract including the benefit of the warranties in this Supply Contract shall be freely assignable by G42. In particular, G42 may assign any of its rights/obligations under this Supply Contract to a third party upon reasonable notice where such assignment is required as part of a business sale or acquisition, restructuring of G42 or similar.

c) Hosting and End-Users. To the extent G42 sells or otherwise grants access or use to the Goods, Services and/or Software to any third party, G42 agrees that all such access and use shall at all times be subject to the terms of this Supply Contract, including but not limited to Supplier's liability under the limited warranties (if any), disclaimers, exculpations and limitations on liability contained herein and therein. To the extent that any marketing, sale or resale of the Goods, Services and/or Software by G42 to a third party fails to comply with this clause 18.l(c), any such marketing, sale or resale shall invalidate the applicable warranties provided by Supplier hereunder.

18.2 The Supplier may only subcontract any of its obligations under this Supply Contract if:

a) the Supplier obtains the prior written consent of G42 (not to be unreasonably withheld or delayed), supplying all information reasonably required by G42;

b) the Supplier shall at all times remain liable to G42 for the performance of all its duties and obligations under this Supply Contract;

c) the Supplier shall require any sub-contractor to be bound by all appropriate obligations corresponding to those placed on the Supplier under this Supply Contract;

d) the Supplier shall require the sub-contractor not to subcontract or otherwise delegate its responsibilities;

e) the Supplier shall retain the right to terminate any agreement with any sub contractor if there is any material breach by the sub-contractor of such an agreement; and

f) on G42's option require any such sub-contractor to covenant directly with G42 to observe and perform the obligations placed on the Supplier by this Supply Contract.

19. General

19.1 Nothing in this Supply Contract shall constitute or be deemed to constitute a relationship of an agency, partnership or joint venture between the Parties.

19.2 No failure of any Party to exercise, and no delay by it in exercising, any right, power or remedy in connection with this Supply Contract shall operate as a waiver of that right. A waiver of any right must be in writing.

19.3 Any amendment to this Supply Contract shall be made in writing and signed by both of the Parties.

19.4 If any term of this Supply Contract is or becomes illegal, invalid or unenforceable, that shall not affect the legality, validity or enforceability of any other term of this Supply Contract.

19.5 This Supply Contract (including its Exhibit) contains the whole agreement between the Parties relating to the transactions contemplated by this Supply Contract and supersedes all previous written or verbal agreements between the Parties relating to those transactions and excludes all other terms and conditions which may have been submitted, whether in writing or verbally, by the Supplier.

19.6 This Supply Contract may be entered into in any number of counterparts, all of which taken together shall constitute one and the same instrument.

-- *End of document*-

Portions of this exhibit, indicated by [***], have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The omitted information is (i) not material and (ii) treated by the Registrant as private or confidential.

Portions of this exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K. The Registrant undertakes to furnish a copy of all omitted information, schedules, and exhibits to the U.S. Securities and Exchange Commission upon its request.

CONFIDENTIAL

Purchase Order # 2023-0001

PURCHASE ORDER (LEGAL)	
This Purchase Order is dated 13 September 23 (the **Commencement Date**).	
PARTIES	
CEREBRAS SYSTEMS, INC. a company incorporated and registered under the laws of the State of Delaware, issued a Delaware State File Number of 6009247 by the Secretary of State of the State of Delaware and whose registered office is at 1237 E. Arques Avenue Sunnyvale, California 94085 (the **Supplier**).	**G42 HOLDING US LLC**, a company incorporated and registered under the laws of the State of Delaware, issued a Delaware State File Number of 7626371 by the Secretary of State of the State of Delaware and whose principal place of business is at [***] (**G42**).
BACKGROUND	
1. G42 and the Supplier entered into a framework agreement dated 13 September 2023 (**Framework Agreement**), allowing G42 or any of its Affiliates to request Goods from the Supplier. 2. Pursuant to the Framework Agreement, G42 requests certain Goods to be provided by the Supplier, and the Supplier agrees to provide such Goods to G42 in accordance with Schedule 2 (Supply Contract Terms) of the Framework Agreement. 3. Unless otherwise stated or the context otherwise requires: (i) the terms set out in Schedule 2 of the Framework Agreement shall apply to this Purchase Order and are hereby incorporated by reference; and (ii) the definitions and rules of interpretation set out in Schedule 2 of the Framework Agreement shall apply to this Purchase Order.	

PURCHASE ORDER (COMMERCIAL)	
Purchase Order No.	2023-0001
GOODS	
[***]	64 Node CS-2 Weight Streaming Cluster: 64 x CS-2 systems, [***].
[***]	[***] subscription to software updates, upgrades and bug fixes for 64 node Cerebras cluster, [***]. Extended Warranty: Hardware warranty of [***]. Access to an online searchable knowledge base. [***]. Hardware support on-site diagnostics and troubleshooting, remote remediation where possible. [***].
[***]	Supplier to execute physical installation, rack, stack, network, cabling, integrate cluster, power on, [***], configuration, and bring-up for a total of 64 node CS-2 system cluster. [***].
Acceptance Period	[***] from the Supplier notifying G42 that [***] is complete.
FEES	
Goods	[***]
Sales Tax / Other Taxes	[***]
Shipping	N.A
Total Fees	[***]
Delivery Location	[***]
Delivery Terms	As per Supply Contract.
Delivery Date	See Special Terms
Invoice Address	[***]
WARRANTY* AND SPECIFICATIONS	
Warranty Period *(only if different from Supply Contract)	[***]
Specifications	As described in the “GOODS” section of this Purchase Order.

Validation Checks	See Appendix.
OTHER DETAILS	
Payment Terms	[***] of G42's receipt of the relevant invoice.
Liability Cap	[***]
Liquidated Damages	Not Applicable.
Importer of Record (only if applicable)	Not Applicable.
Special Terms	Supplier agrees to deliver the Goods according to the following Delivery Schedule: • [***] will be delivered and installed at the Delivery Location within [***] following the date of this Purchase Order ("**1st Delivery Date**"). Following the date of this Purchase Order, the Supplier will be entitled to issue an invoice for [***] CS-2 units. • Further batches of [***] will be delivered to the Delivery Location, until Supplier has supplied a total of sixty-four (64) units. The first such batch will be delivered [***] and each subsequent batch will be delivered in [***]. Supplier may deliver ahead of this schedule. • After acceptance has occurred (in accordance with clause 3.4 of the Supply Contract) in respect of the delivery and installation of [***] at the Delivery Location, the Supplier shall be entitled to submit an invoice in respect of [***] and G42 shall pay each such invoice in accordance with the Payment Terms. The invoiced amount will be the Total Fees, prorated by the number of CS-2 units that are accepted as delivered and installed.

SIGNATURES
IN WITNESS WHEREOF, the parties hereto have duly executed this Purchase Order in any number of counterparts of identical content as of the date first above written.
EXECUTED for and on behalf of **G42 HOLDING US LLC**
/s/ Martin Edelman
Name: Martin Edelman

Title: Authorised Signatory
Date: 13/09/2023
EXECUTED for and on behalf of **CEREBRAS SYSTEMS, INC.**
/s/ Andrew Feldman
Name: Andrew Feldman
Title: CEO
Date: 9/5/2023

Appendix: Validation Checks

Portions of this exhibit, indicated by [***], have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The omitted information is (i) not material and (ii) treated by the Registrant as private or confidential.

Portions of this exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K. The Registrant undertakes to furnish a copy of all omitted information, schedules, and exhibits to the U.S. Securities and Exchange Commission upon its request.

CONFIDENTIAL

Purchase Order# 2023-0002

PURCHASE ORDER (LEGAL)	
This Purchase Order is dated 7 October 2023 (the **Commencement Date**).	
PARTIES	
CEREBRAS SYSTEMS, INC. a company incorporated and registered under the laws of the State of Delaware, issued a Delaware State File Number of 6009247 by the Secretary of State of the State of Delaware and whose registered office is at (the **Supplier**).	**G42 HOLDING US LLC**, a company incorporated and registered under the laws of the State of Delaware, issued a Delaware State File Number of 7626371 by the Secretary of State of the State of Delaware and whose principal place of business is at [***] (**G42**).
BACKGROUND	
1. G42 and the Supplier entered into a framework agreement dated 13 September 2023 (**Framework Agreement**), allowing G42 or any of its Affiliates to request Goods from the Supplier. 2. Pursuant to the Framework Agreement, G42 requests certain Goods to be provided by the Supplier, and the Supplier agrees to provide such Goods to G42 in accordance with Schedule 2 (Supply Contract Terms) of the Framework Agreement. 3. Unless otherwise stated or the context otherwise requires: (i) the terms set out in Schedule 2 of the Framework Agreement shall apply to this Purchase Order and are hereby incorporated by reference; and (ii) the definitions and rules of interpretation set out in Schedule 2 of the Framework Agreement shall apply to this Purchase Order.	

PURCHASE ORDER (COMMERCIAL)	
Purchase Order No.	2023-0002
GOODS	
[***]	64 Node CS-2 Weight Streaming Cluster: 64 x CS-2 systems, [***].
[***]	[***] subscription to software updates, upgrades and bug fixes for 64 node Cerebras cluster, [***]. Extended Warranty: Hardware warranty of [***]. Access to an online searchable knowledge base. [***]. Hardware support on-site diagnostics and troubleshooting, remote remediation where possible. [***].
[***]	Supplier to execute physical installation, rack, stack, network, cabling, integrate cluster, power on, [***], configuration, and bring-up for a total of 64 node CS-2 system cluster. [***].
Acceptance Period	[***] from the Supplier notifying G42 that [***] is complete.
FEES	
Goods	[***].
Sales Tax / Other Taxes	[***].
Shipping	N.A
Total Fees	[***].
Delivery Location	[***]
Delivery Terms	As per Supply Contract.
Delivery Date	See Special Terms
Invoice Address	[***]
WARRANTY* AND SPECIFICATIONS	
Warranty Period *(only if different from Supply Contract)	[***].
Specifications	As described in the “GOODS” section of this Purchase Order.

Validation Checks	See Appendix.
OTHER DETAILS	
Payment Terms	[***] of G42's receipt of the relevant invoice.
Liability Cap	[***]
Liquidated Damages	Not Applicable.
Importer of Record (only if applicable)	Not Applicable.
Special Terms	Supplier agrees to deliver the Goods according to the following Delivery Schedule: • [***] will be delivered and installed at the Delivery Location on or before [***]. • [***] will be delivered and installed at the Delivery Location, until Supplier has supplied a total of sixty four (64) units. After acceptance has occurred (in accordance with clause 3.4 of the Supply Contract) in respect of the delivery and installation of [***] at the Delivery Location, the Supplier shall be entitled to submit an invoice in respect of [***] and G42 shall pay each such invoice in accordance with the Payment Terms. The invoiced amount will be the Total Fees, prorated by the number of CS-2 units that are accepted as delivered and installed.

SIGNATURES
IN WITNESS WHEREOF, the parties hereto have duly executed this Purchase Order in any number of counterparts of identical content as of the date first above written.
EXECUTED for and on behalf of **G42 HOLDING US LLC**
/s/ Martin Edelman
Name: Martin Edelman
Title: Authorised Signatory
Date:

EXECUTED for and on behalf of **CEREBRAS SYSTEMS, INC.**
/s/ Andrew Feldman
Name: Andrew Feldman
Title: CEO
Date: 9/25/2023

Appendix: Validation Checks

Portions of this exhibit, indicated by [***], have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The omitted information is (i) not material and (ii) treated by the Registrant as private or confidential.

**Portions of this exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K.
The Registrant undertakes to furnish a copy of all omitted information, schedules, and exhibits to the U.S. Securities and Exchange Commission upon its request.**

STRICTLY PRIVATE AND CONFIDENTIAL

DATED

24th JANUARY 2024

AMENDMENT AND RESTATEMENT AGREEMENT

RELATING TO

PURCHASE ORDER # 2023-0004

between

G42 HOLDING US LLC

and

CEREBRAS SYSTEMS, INC.

THIS AMENDMENT is made on 24th January 2024

BETWEEN:

1. **G42 HOLDING US LLC**, a company incorporated and registered under the laws of the State of Delaware, issued a Delaware State File Number of 7626371 by the Secretary of State of the State of Delaware and whose principal place of business is at [***] ("**G42**"); and

2. **CEREBRAS SYSTEMS, INC.** a company incorporated and registered under the laws of the State of Delaware, issued a Delaware State File Number of 6009247 by the Secretary of State of the State of Delaware and whose registered office is at 1237 E. Arques Avenue Sunnyvale, California 94085, USA (the "**Supplier**");

(each a "**Party**", together the "**Parties**").

WHEREAS:

(A) Pursuant to a Framework Goods Agreement dated 13 September 2023 (the "**FGA**"), the Parties entered into Purchase Order # 2023-0004, dated 29 December 2023 (the "**Original PO**").

(B) The Parties have agreed to amend and restate the Original PO on the terms set out in this amendment document (this "**Amendment**").

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Amendment, unless the subject or context otherwise requires, words defined in the FGA and Original PO shall have the same meaning when used in this Amendment, and:

"Amendment Effective Date"	means 29 December 2023;
"Original PO"	has the meaning set out in the WHEREAS paragraphs; and
"Restated PO"	means the Original PO as amended and restated by this Amendment in the form set out in the Schedule to this Amendment.

1.2 The rules of interpretation of the Original PO shall apply to this Amendment as if set out in this Amendment.

1.3 In this Amendment:

1.3.1 any reference to a "clause" is, unless the context otherwise requires, a reference to a clause of this Amendment; and

1.3.2 clause and Schedule headings are for ease of reference only.

1.4 The Schedule forms part of this Amendment and shall have effect as of set out in full in the body of this Amendment. Any reference to this Amendment includes the Schedule.

2. AMENDMENT AND RESTATEMENT OF THE ORIGINAL PO

2.1 With effect on and from the Amendment Effective Date, the Original PO shall be amended and restated in the form set out in the Schedule to this Amendment so that the rights and obligations of the Parties to the Amended Agreement shall, on and from that date, be governed by and construed in accordance with the provisions of the Restated PO.

2.2 This Amendment does not affect:

2.2.1 the validity or enforceability of the Original PO; or

2.2.2 any accrued rights or liabilities of any Party under the Original PO (except as otherwise amended, settled or waived under the terms in the Schedule to this Agreement).

2.3 Each Party is bound by the Original PO as amended and restated by this Amendment.

3. COUNTERPARTS

3.1 This Amendment may be signed in any number of counterparts, and each Party may sign one or more counterpart. The counterparts shall together form and be construed as one and the same document.

ENTERED INTO by the Parties or their duly authorized representatives on the date first before written.

Signed by Martin Edelman for and on behalf of
G42 HOLDING US LLC

/s/ Martin Edelman
Authorised signatory

Date: 02/16/2024

Signed by Andrew Feldman for and on behalf of
CEREBRAS SYSTEMS, INC.

/s/ Andrew Feldman
CEO

Date: 1/24/2024

SCHEDULE

AMENDED AND RESTATED PO # 2023-0004

AMENDED AND RESTATED PO # 2023-0004 TO FOLLOW ON NEXT PAGE

Purchase Order # 2023-0004

PURCHASE ORDER (LEGAL)	
This Purchase Order is dated 29 December 2023 (the **Commencement Date**).	
PARTIES	
CEREBRAS SYSTEMS, INC. a company incorporated and registered under the laws of the State of Delaware, issued a Delaware State File Number of 6009247 by the Secretary of State of the State of Delaware and whose registered office is at 1237 E. Arques Avenue Sunnyvale, California 94085 (the **Supplier**).	**G42 HOLDING US LLC**, a company incorporated and registered under the laws of the State of Delaware, issued a Delaware State File Number of 7626371 by the Secretary of State of the State of Delaware and whose principal place of business is at [***] (**G42**).
BACKGROUND	

1. G42 and the Supplier entered into a framework agreement dated 13 September 2023 (**Framework Agreement**), allowing G42 or any of its Affiliates to request Goods from the Supplier.

2. Pursuant to the Framework Agreement, G42 requests certain Goods to be provided by the Supplier, and the Supplier agrees to provide such Goods to G42 in accordance with Schedule 2 (Supply Contract Terms) of the Framework Agreement.

3. Unless otherwise stated or the context otherwise requires: (i) the terms set out in Schedule 2 of the Framework Agreement shall apply to this Purchase Order and are hereby incorporated by reference; and (ii) the definitions and rules of interpretation set out in Schedule 2 of the Framework Agreement shall apply to this Purchase Order.

PURCHASE ORDER (COMMERCIAL)	
Purchase Order No.	2023-0004.
GOODS	
[***]	64 Node CS-3 Weight Streaming Cluster: 64 x CS-3 systems, [***].
[***]	[***] subscription to software updates, upgrades and bug fixes for 64 node Cerebras cluster, [***]. Extended Warranty: Hardware warranty of [***]. Access to an online searchable knowledge base. [***]. Hardware support on-site diagnostics and troubleshooting, remote remediation where possible. [***].
[***]	Supplier to execute physical installation, rack, stack, network, cabling, integrate cluster, power on, [***], configuration, and bring-up for a total of 64 node CS-3 system cluster. [***].
Acceptance Period	[***] from the Supplier notifying G42 that [***] is complete.
FEES	
Goods	[***].
Sales Tax / Other Taxes	[***]. This amount assumes delivery in [***]. If delivered outside of [***] then this number will be modified and the appropriate sales tax, if any, will apply.
Shipping	No shipping fees if shipped to [***]. If shipped elsewhere, shipping fees may apply and Cerebras will be prepared to document such shipping charges.
Total Fees	[***].
Delivery Location	[***]
Delivery Terms	As per Supply Contract.
Delivery Date	See Special Terms
Invoice Address	[***]

WARRANTY* AND SPECIFICATIONS	
Warranty Period *(only if different from Supply Contract)	[***].
Specifications	As described in the GOODS section of this Purchase Order.
Validation Checks	See Appendix.
OTHER DETAILS	
Payment Terms	[***] of G42's receipt of the relevant invoice.
Liability Cap	[***]
Liquidated Damages	Not Applicable.
Importer of Record (only if applicable)	Not Applicable.
Special Terms	Supplier agrees to deliver the Goods according to the following Delivery Schedule: • [***] will be delivered and installed at the Delivery Location on or before [***] • [***] will be delivered and installed at the Delivery Location, until Supplier has supplied a total of sixty four (64) units. At any time on or after the Commencement Date, the Supplier shall be entitled to submit an invoice for the Total Fees (in respect of all the Goods to be supplied under this Purchase Order) and G42 shall pay such invoice in accordance with the Payment Terms.

SIGNATURES
IN WITNESS WHEREOF, the parties hereto have duly executed this Purchase Order in any number of counterparts of identical content as of the date first above written.
EXECUTED for and on behalf of **G42 HOLDING US LLC**
Name: Martin Edelman
Title: Authorised Signatory
Date:
EXECUTED for and on behalf of **CEREBRAS SYSTEMS, INC.**
Name: Andrew Feldman
Title: CEO
Date:

Appendix: Validation Checks

Portions of this exhibit, indicated by [***], have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The omitted information is (i) not material and (ii) treated by the Registrant as private or confidential.

Portions of this exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K. The Registrant undertakes to furnish a copy of all omitted information, schedules, and exhibits to the U.S. Securities and Exchange Commission upon its request.

CONFIDENTIAL

Purchase Order # 2024-0003

PURCHASE ORDER (LEGAL)	
This Purchase Order is dated July 10, 2024 (**the Commencement Date**).	
PARTIES	
CEREBRAS SYSTEMS INC. a company incorporated and registered under the laws of the State of Delaware, issued a Delaware State File Number of 6009247 by the Secretary of State of the State of Delaware and whose registered office is at 1237 E. Arques Avenue Sunnyvale, California 94085 (the **Supplier**).	**G42 HOLDING US LLC**, a company incorporated and registered under the laws of the State of Delaware, issued a Delaware State File Number of 7626371 by the Secretary of State of the State of Delaware and whose principal place of business is at [***] (**G42**).
BACKGROUND	
1. G42 and the Supplier entered into a framework agreement dated 13 September 2023 (**Framework Agreement**), allowing G42 or any of its Affiliates to request Goods from the Supplier. 2. Pursuant to the Framework Agreement, G42 requests certain Goods to be provided by the Supplier, and the Supplier agrees to provide such Goods to G42 in accordance with Schedule 2 (Supply Contract Terms) of the Framework Agreement. 3. Unless otherwise stated or the context otherwise requires: (i) the terms set out in Schedule 2 of the Framework Agreement shall apply to this Purchase Order and are hereby incorporated by reference; and (ii) the definitions and rules of interpretation set out in Schedule 2 of the Framework Agreement shall apply to this Purchase Order.	

PURCHASE ORDER (COMMERCIAL)	
Purchase Order No.	2024-0003
GOODS	
[***]	Supplier will deliver [***]. For the purposes of this Purchase Order: • [***]; • [***]; and • [***], (each a "**Cluster**", together the "**Clusters**"). [***] Each Cluster includes [***] CS-3 systems, [***].
[***]	[***] subscription to software updates, upgrades and bug fixes, [***]. Extended Warranty: Hardware warranty of [***]. Access to an online searchable knowledge base. [***]. Hardware support on-site diagnostics and troubleshooting, remote remediation where possible. [***]
[***]	Supplier to execute physical installation, rack, stack, network, cabling, integrate cluster, power on, and bring-up of the Clusters in accordance with the Delivery Dates specified in Appendix A. [***]
Acceptance Period	[***] from the Supplier notifying G42 that [***] is complete.
FEES	
Goods	US$178,737,336 ("**Goods Fee**"). The Parties agree as follows: • under a *'Letter of Award in Respect of HPC Infrastructure PO'* dated April 24, 2024 between G42 and the Supplier located at Appendix C of this Purchase Order (the "**Award Letter**"), G42 advanced to the Supplier a sum of US$300,000,000 (the "**Prepaid Sum**");

	• notwithstanding the terms of the Award Letter, at any time on or after the Commencement Date, the Supplier may deduct the proportion of the Goods Fee that corresponds to an individual Cluster, as specified in the Payment Schedule section of the table set out in Appendix A, from the Prepaid Sum, subject to: ◦ the Supplier delivering and installing that Cluster in accordance with the Delivery Dates, as specified in the Delivery Schedule section of the table set out in Appendix A; and ◦ G42 formally accepting that Cluster pursuant to the terms set out in this Purchase Order and Section 3.4 of the Supply Contract. • if the Supplier does so, the Supplier will: ◦ on the relevant invoice issued in accordance with this Purchase Order, indicate that the proportion of the Goods Fee payable by G42 under this Purchase Order is paid; and ◦ report to G42 on the remaining balance of the Prepaid Sum; • the Supplier may deliver, and G42 may accept pursuant to this Purchase Order and Section 3.4 of the Supply Contract, each individual Cluster in multiple partial deliveries. In such case, the Supplier may invoice G42 on the same terms and conditions as
	set forth above upon completion of each partial delivery, provided that the amount of the invoice will be a pro rata portion of the Fee Instalment amount set forth in Appendix A for one Cluster, where the numerator is the number of CS-3 systems in the partial delivery and the denominator is [***]; • except as set out in this Fees row of this Purchase Order or as otherwise agreed between the Parties, the terms of the Award Letter shall remain in full force and effect; and • In the event the remaining balance of the Prepaid Sum decreases to [***], all further amounts payable by G42 hereunder shall be paid by wire transfer of immediately available funds [***] of invoice.

Sales Tax / Other Taxes	To be calculated in accordance with applicable law and based on Delivery Location (the "**Taxes**"). The Parties agree as follows: • notwithstanding the terms of the Award Letter, if any Taxes are payable by G42, G42 may, from time to time, direct the Supplier to deduct the Taxes payable under this Purchase Order from the Prepaid Sum; • if G42 so directs, the Supplier will: ◦ on the relevant invoice issued in accordance with this Purchase Order, indicate that the relevant Taxes are paid; and ◦ report to G42 on the remaining balance of the Prepaid Sum; and • except as set out in this Sales Taxes and Other Taxes row of this Purchase Order or as otherwise agreed between the Parties, the terms of the Award Letter shall remain in full force and effect.
Shipping	No shipping fees [***] if shipped to [***] or any other location in [***]. No shipping fees [***] if shipped in [***]. The Parties agree that shipping fees to any locations outside [***] are to be borne by G42 and the Supplier will evidence and document any such shipping charges.
Total Fees	US$178,737,336 *plus* sales tax, other charges, and shipping, as set forth above.
Delivery Location	For [***], [***]. For [***], to be mutually agreed upon.
Delivery Terms	As per Supply Contract
Delivery Date	See Special Terms and Appendix A.
Invoice Address	[***]

WARRANTY* AND SPECIFICATIONS	
Warranty Period *(only if different from Supply Contract)	[***] (in accordance with this Supply Contract and paragraph 6 of the Special Terms set out below).
Specifications	As described in the "GOODS" section of this Purchase Order.
Validation Checks	See Appendix B
OTHER DETAILS	
Payment Terms	As set out in the FEES row of this Purchase Order.
Liability Cap	For each Cluster [***], the Liability Cap referred to in clause 14.4(b)(2) of this Supply Contract shall be [***]. The Liability Cap for each such Cluster is subject to clauses 14.4(b)(B) and 14.4(c) of this Supply Contract and relates only to liability arising in respect of that specific Cluster, without combination or duplication with respect to other Clusters delivered hereunder. Without limiting the foregoing but subject always to clauses 14.4(b)(B) and 14.4(c) of this Supply Contract, the maximum aggregate liability of the Supplier under this Purchase Order, across all Clusters, shall not exceed at any time [***].
Liquidated Damages	Not Applicable.
Importer of Record (only if applicable)	Not Applicable (if the agreed Delivery Location is within the United States of America). G42 (if the agreed Delivery Location is outside the United States of America).
Additional Costs	The Supplier shall be solely responsible for [***].
Special Terms	The Parties agree that, notwithstanding the clauses of this Supply Contract, the following Special Terms shall apply: 1. The Supplier shall deliver the quantities of Goods [***] specified in the Delivery Schedule section of the table set out in Appendix A on or before the corresponding Delivery Dates specified therein.

	2. Subject to paragraph 4 of these Special Terms, the Supplier shall be entitled to issue invoices in respect of each Fee Instalment (or pro rata portion thereof for invoices for partial shipment) specified in the Payment Schedule section of the table set out in Appendix A and deduct the relevant Fee Instalment (or portion thereof) from the Prepaid Sum in accordance with the FEES row of this Purchase Order. 3. Reserved. 4. If the Supplier fails to deliver and install the requisite quantity of Goods in respect of any Cluster by any Delivery Date specified in Appendix A, then, subject to the below, the Supplier will not be entitled to issue an invoice for, or deduct from the Prepaid Sum, the portion of the applicable Fee Instalment specified in Appendix A corresponding to the units that are late, without the express consent of G42. If this paragraph 4 applies, then G42 may, without prejudice to its other rights and remedies, direct the Supplier to deliver the requisite quantity of Goods in respect of any Cluster on or before a later Delivery Date than is specified in Appendix A (provided such later Delivery Date is reasonable). If G42 so directs, then the Delivery Schedule shall be deemed as amended accordingly and the provisions of this Purchase Order and Supply Contract shall apply to such later Delivery Date. If the Supplier delivers and installs the relevant units in respect of the Cluster on or before such later Delivery Date, the Supplier will be entitled to issue an invoice for and deduct the applicable Fee Instalment (or portion thereof) from the Prepaid Sum. If the Supplier delivers and installs the relevant units after such later Delivery Date but on or before expiry of the relevant cure time period specified in paragraphs 8, 9 or 10 (as applicable), the Supplier will be entitled to issue an invoice for and deduct the applicable Fee Instalment (or portion thereof) from the Prepaid Sum (without prejudice to G42's other rights and remedies). If paragraph 4 applies as a result of a fact or circumstance described in paragraph 6.a or 6.b., the Supplier will be entitled to issue an invoice for and deduct the applicable Fee Instalment (or portion thereof) from the Prepaid Sum. If this paragraph 4 applies and the Supplier's failure is due to a Force Majeure Event which continues for [***], the Supplier will not be entitled to issue an invoice for or deduct the applicable Fee instalment (or portion thereof) from the Prepaid Sum until deliveries begin again.

	"**Force Majeure Event**" for purposes of this Purchase Order, without limiting the scope of its definition in clause 1.1 of this Supply Contract, includes: (i) a delay in or failure by the Supplier to obtain governmental approvals for export, to the extent not due to a fact or circumstance described in (A) or (B) of this paragraph or in paragraph 6.b; and (ii) unforeseen supply chain events or circumstances that the Supplier identifies and demonstrates to G42 have a material adverse effect on the Supplier's ability to comply with the Delivery Schedule. The Parties acknowledge and agree that limb (i) of the foregoing definition of "Force Majeure Event" shall not apply to the extent: (A) the delay or failure is caused by the Supplier failing to provide the necessary information to the relevant governmental authority; and (B) the Supplier fails to deploy reasonable best efforts to obtain the necessary governmental license or approval, to the extent (in the case of either (A) or (B)) that paragraph 6.b does not apply. 5. For the avoidance of doubt, if a unit of Goods is delivered by Supplier to the Delivery Location but not accepted by G42 pursuant to clause 3.4 of this Supply Contract due to non- conformance of the Goods, that unit shall not be deemed as having been delivered by the Supplier or accepted by G42. 6. Subject to the Supplier complying with paragraph 7, G42 acknowledges and agrees that the Supplier shall be relieved of its obligations and liability under this Purchase Order and Supply Contract to the extent that the Supplier fails to deliver or install Goods to the Delivery Location in accordance with the Delivery Schedule as a result of: a. G42 failing to make available to the Supplier (or procure the making available to the Supplier of), in a timely manner, access to suitable data center facilities where the Goods will be housed (for the purpose of the Goods being delivered, installed or tested); b. only in those circumstances where the Parties have agreed that some or all of the Goods are to be exported outside the United States of America, G42 failing to provide to the Supplier, in a timely manner, such documentation or other information or assistance as required by any governmental agency or authority to obtain any license or approval necessary for such export (to the extent such documentation, information or assistance requirement is communicated to G42 by the Supplier); or

	c. the occurrence of a Force Majeure Event. 7. If the Supplier becomes aware of any fact of circumstance that may affect its ability to supply the Goods in accordance with the Delivery Schedule (including the facts and circumstances listed in paragraph 6): a. the Supplier will, as soon as reasonably practicable, notify G42 of such fact or circumstance in writing and will propose a written action plan to G42 which addresses any such event or circumstance; b. G42, acting reasonably and a timely manner, will be entitled to: i. accept or reject any such proposed action plan; and ii. request changes or additions to the corrective action plan; and c. the Supplier will provide G42 with appropriately timed updates, [***], regarding the steps the Supplier has taken to mitigate the delays to the Delivery Schedule. For the avoidance of doubt, except to the extent a delay to the Delivery Schedule is caused by a fact or circumstance listed in paragraph 6.a or paragraph 6.b, this paragraph 7 shall not affect the application of paragraph 4 to suspending or halting the Supplier's entitlement to issue invoices for and/or deduct the Fee Instalments from the Prepaid Sum and/or G42's right to terminate this Supply Contract in accordance with paragraph 8. 8. If paragraph 4 applies and the Supplier has failed to deliver and install the relevant Goods within [***] following the relevant Delivery Date, then, subject to the below, provided the delay is not caused by a fact or circumstance listed in paragraph 6.a or 6.b, G42 will be entitled to terminate this Purchase Order on written notice to the Supplier and be refunded any monies paid by G42 in respect of any Goods not yet owned by G42 [***] of the date of G42's termination notice. 9. If paragraph 4 applies and the delay is caused by a Force Majeure Event, then G42 will not be entitled to terminate this Purchase Order under paragraph 8 until the Supplier has failed to deliver and install the relevant Goods within [***] following the relevant Delivery Date.

	10. If paragraph 4 applies in circumstances where the Parties have agreed that some or all of the Goods are to be exported outside the United States of America and the delay is caused by a failure to obtain from a governmental agency or authority a license or approval necessary for the export or import then, subject to the below, G42 will not be entitled to terminate this Purchase Order under paragraph 8 until the Supplier has failed to deliver and install the relevant Goods within [***] following the relevant Delivery Date. Notwithstanding the foregoing, G42 will be entitled to terminate this Purchase Order in accordance with and following expiry of the delay time periods set out in paragraph 8 if: (a) the delay or failure is caused by the Supplier failing to provide the necessary information to the relevant government authority; or (b) the Supplier fails to deploy reasonable best efforts to obtain the necessary governmental license or approval, to the extent (in the case of either (a) or (b)) that paragraph 6.b does not apply. 11. Reserved. 12. If the events contemplated by paragraphs 4 or 6 occur (but without prejudice to G42's rights and remedies under paragraphs 4, 8, 9, and 10 and the Supplier's obligations under paragraph 7), the Parties agree to promptly meet and negotiate in good faith to agree to a revised Delivery Schedule and Payment Schedule and to comply therewith. 13. The Parties acknowledge and agree that the Fees set out in the Fees row of this Purchase Order include the costs of shipping, delivery and installation to the Delivery Location or any other location in [***]. 14. Notwithstanding clause 5.2 of this Supply Contract, ownership of the Goods shall transfer to G42 immediately upon the completion of manufacture of any of the Goods (irrespective of whether such Goods are delivered to and/or installed at the relevant agreed Delivery Location). 15. In any event, immediately on completion of manufacture of any Goods, the Supplier shall itself store (or shall procure the storage of) such Goods so that they remain readily identifiable as G42's property.

	16. For the avoidance of doubt, nothing in this Purchase Order shall be construed as limiting either Party's rights under clause 12 (Force Majeure) of this Supply Contract. 17. The Parties acknowledge and agree that, in respect of delays to the Delivery Schedule, G42's termination and refund rights under this Purchase Order are restricted to the termination and refund rights set out in paragraphs 8 to 10 of these Special Terms. Accordingly, in clause 4.1 of the Supply Contract, the words *"Time is of the essence"* through to the words *"Supplier's unexcused delay"* shall be deemed as deleted and not applicable to this Purchase Order.

SIGNATURES
IN WITNESS WHEREOF, the Parties hereto have duly executed this Purchase Order in any number of counterparts of identical content as of the date first above written.
EXECUTED for and on behalf of **G42 HOLDING US LLC**
/s/ Martin Edelman
Name: Martin Edelman
Title: Authorised Signatory
Date: 10 July 2024
EXECUTED for and on behalf of **CEREBRAS SYSTEMS INC.**
/s/ Andrew Feldman
Name: Andrew Feldman
Title: CEO
Date: 6/27/2024

Appendix A: Delivery Schedule and Payment Schedule.

Appendix B: Validation Checks.

Appendix C: Award Letter.

Exhibit 10.13

Portions of this exhibit, indicated by [***], have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The omitted information is (i) not material and (ii) treated by the Registrant as private or confidential.

Portions of this exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K. The Registrant undertakes to furnish a copy of all omitted information, schedules, and exhibits to the U.S. Securities and Exchange Commission upon its request.

MASTER SERVICES AGREEMENT

G42 HOLDING US LLC

AND

CEREBRAS SYSTEMS, INC.

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THIS AGREEMENT is dated 13 September 2023

BETWEEN:

(1) **G42 HOLDING US LLC** a company incorporated in the State of Delaware, issued a Delaware State File Number of 7626371 by the Secretary of State of the State of Delaware and whose principal place of business is at [***] ("**G42**"), and

(2) **CEREBRAS SYSTEMS**, **INC.**, a company incorporated in the State of Delaware, issued a Delaware State File Number of 6009247 by the Secretary of State in the State of Delaware, and whose registered office is at 1237 E. Arques Avenue Sunnyvale, California 94085 (the "**Supplier**"),

G42 and the Supplier shall be referred to herein either individually as a **Party** or collectively as the **Parties.**

WHEREAS:

(A) The Supplier has the skill, knowledge and experience necessary to provide certain services.

(B) G42 wishes to obtain and the Supplier wishes to supply such services on the terms set out in this Agreement.

NOW, **THEREFORE**, it is agreed as follows:

1. INTERPRETATION

1.1 In this Agreement:

Acceptance Period means the period of time set forth in Clause 4.2, unless another acceptance period is expressly set forth in the relevant SOW or mutually agreed upon by the Parties in writing;

Accepted means the earlier of: (i) when G42 has issued a written notice confirming that the relevant Milestone has been achieved (and **Acceptance** shall be construed accordingly); or (ii) expiry of the applicable **Acceptance** Period;

Affected Party has the meaning given to it in Clause 15.11(a);

Affiliate means, in relation to a Party, any person directly Controlling, Controlled by or under direct or indirect Common Control with that Party from time to time;

Agreement means the Clauses of the main body of this agreement, together with:

(a) the Schedule to it; and

(b) each SOW that has been agreed by G42 and the Supplier in accordance with Clause 2;

Anti-corruption Laws means all applicable laws, decrees and regulations prohibiting corruption and improper payments to government officials, commercial bribery, money laundering, and other similar anti-bribery and anti-corruption laws and regulations, including but not limited to, the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act of 2010;

Applicable Law means:

(a) any statute, regulation, determination, by-law, declaration, ministerial direction or other subordinate legislation;

(b) the common law and laws of equity;

(c) any binding court order, judgment or decree;

(d) any industry code, policy or standard;

(e) any Anti-corruption Laws; and

(f) any regulations, requirements, by-laws, direction, policy, rule or order that is made or given by any Regulatory Body;

Business Day means a day other than a Saturday, Sunday or public holiday in the [***];

Commencement Date means the date on which this Agreement is signed by both Parties;

Confidential Information all data, information, and material in any medium or format relating to the business, customers, suppliers, employees, officers, systems or affairs of a Disclosing Party (or by or on behalf of its Affiliates) that is or has been (at any time):

(a) disclosed by or on behalf of the Disclosing Party (or on behalf of its Affiliates) to the Receiving Party (or its Affiliates) under or in connection with this Agreement or any SOW, whether orally, electronically, in writing or otherwise, including copies of such information; or

(b) learnt, acquired or generated by or on behalf of the Disclosing Party (or on behalf of its Affiliates) in connection with this Agreement or any relevant SOW (including the terms of this Agreement and each SOW).

Unless otherwise agreed by the Parties, all G42 Information will be deemed to be Confidential Information of the [***];

Controlling (including the terms **Controlling**, **Controlled by** and **under Common Control**) with respect to the relationship between two or more persons, means the power, directly or indirectly, to direct or cause the direction of a person, regardless of whether through the ownership of assets or shares, by contract, or in any other way;

Deliverable means any [***] delivered or to be delivered by the Supplier in accordance with, under or in relation to any SOW, as further described in the relevant SOW;

Disclosing Party means the Party disclosing or making available Confidential Information to the other Party or for the other Party's benefit, or the Party to whom the Confidential Information relates;

EULA means the version of the Supplier's End User License Agreement set out in Schedule 2, which is incorporated into any SOW under which Licensed Software is supplied (unless otherwise specified in the relevant SOW);

Fees means the fees payable by G42 to the Supplier for the supply of the Services, as set out in the relevant SOW;

Force Majeure Event means any event the occurrence of which is beyond the reasonable control of the Affected Party, which could not be prevented by the Affected Party undertaking reasonable precautions, to the extent such event prevents or delays the performance of such Affected Party's obligations under this Agreement, including any relevant SOW;

Foreground IPRs means:

(a) all Intellectual Property Rights in any Deliverables created by the Supplier (or by a third party on behalf of the Supplier) in connection with this Agreement and updates and amendments of such Deliverables including (but not limited to) [***] prepared by the Supplier in relation to such Deliverables; and/or

(b) Intellectual Property Rights arising as a result of the performance of the Services specifically for G42 by the Supplier under this Agreement,

but shall not include: (i) Supplier Background IPRs; (ii) any Intellectual Property Rights subsisting in the Supplier's Confidential Information; or (iii) any Intellectual Property Rights in the Licensed Software;

G42 Background IPRs means:

(a) Intellectual Property Rights owned by G42 before the relevant SOW Effective Date, including any such Intellectual Property Rights subsisting in any of G42's knowhow, documentation, processes and procedures; and/or

(b) Intellectual Property Rights created by G42 (or on G42's behalf) independently of this Agreement during the term of this Agreement;

G42 Customer means any third party receiving services from [***] that are dependent on the Services supplied by the Supplier under a SOW.

G42 Dependency has the meaning given to it in Clause 4.2.

G42 Information means any data, text, drawings, diagrams, images or other information (together with any database made up of any of these) embodied in any electronic, magnetic, optical or tangible media which relates to a member of the G42 Group or any client or customer of a member of the G42 Group (or their respective operations, facilities, assets, products, research, sales, transactions, employees or other personnel) and:

(a) which are developed, received or acquired by the Supplier (or any of the Supplier's Affiliates) in the course of performing the Services;

(b) which are supplied to the Supplier by or on behalf of a member of the G42 Group in connection with this Agreement (including any SOW); and/or

(c) which the Supplier is required to generate, process, store or transmit pursuant to this Agreement (including any SOW);

G42 Information does not include any of the Supplier's Confidential Information or Supplier Background IPRs.

G42 Group means each of:

(a) G42;

(b) any Affiliate of G42 from time to time (including [***]);

(c) any joint venture company or other legal entity in which G42 (or another entity falling with paragraph (b) above) owns [***] or more of the issued share capital; and

(d) any other entity that G42 may notify the Supplier from time to time is a member of the G42 Group;

G42 Project Representative means such G42 project representative as may be specified in the relevant SOW and/or any other person as G42 may notify to the Supplier from time to time;

Good Industry Practice in relation to any activity and any circumstance, means the exercise of that degree of professionalism, skill, diligence, prudence and foresight which would be expected from a skilled and experienced service provider (which is a leader in the field of

providing equivalent services to the Services) engaged in the same type of activity under the same or similar circumstances;

Indemnified Person(**s**) means: (a) in respect of: (i) G42's indemnification obligations under Clause 10.2(a), the Supplier; and (ii) the Supplier's indemnifications under Clause 10.2(b), G42; and (b) in respect of the Supplier's indemnification obligations under Clause 10.3, G42 and the other members of the G42 Group;

Insolvency Event means the occurrence of any one or more of the following events in relation to a Party:

(a) such Party becomes unable to pay its debts admits its inability to pay its debts or becomes insolvent;

(b) a petition is presented, an order made or a resolution passed for the liquidation (otherwise than for the purposes of a solvent amalgamation or reconstruction), administration, bankruptcy or dissolution of such Party;

(c) an administrative or other receiver, manager, trustee, liquidator, administrator or similar person or officer is appointed to such Party and/or over all or any part of the assets of the Party;

(d) such Party enters into or proposes any composition or arrangement concerning its debts with its creditors (or any class of its creditors) generally; or

(e) anything equivalent to any of the events or circumstances listed in limbs (a) to (d) (inclusive) occurs in any applicable jurisdiction;

Intellectual Property Rights or IPR means: (i) patents, rights to inventions, designs, copyright and related rights, database rights, trade marks, related goodwill and the right to sue for passing *off* and/or unfair competition and trade names, in each case whether registered or unregistered; (ii) proprietary rights in domain names; (iii) the right to use, and protect the confidentiality of, confidential information (including knowhow and trade secrets); (iv) applications, extensions and renewals in relation to any of these rights; and (v) all other rights of a similar nature or having an equivalent effect anywhere in the world;

IPR Claim means any third party claim that:

(a) the supply, or use by [***] of any Deliverable;

(b) the assignment or grant of any licence of any Intellectual Property Rights or right to use Licensed Software under this Agreement and the EULA; or

(c) the provision, or [***] taking the benefit, of any of the Services, infringes the Intellectual Property Rights of any third party, including circumstances where:

(d) any [***] is subject to a claim initiated by an end user or other third party; and

(e) such claim arises as a result of a third party alleging that the relevant end user's or third party's access or use of any Deliverable or receipt or benefit of the Services infringes the Intellectual Property Rights of any third party;

Key Personnel means the individuals identified as key personnel in a SOW, or any replacement individuals appointed by the Supplier pursuant to Clause 4.3;

Liability Cap means the liability cap specified in the relevant SOW;

Licence Term means, in respect of each item of Licensed Software, the duration of the licence as specified in the relevant SOW or EULA (as applicable);

Licensed Software means such software as:

(a) the Supplier makes generally available commercially (whether by way of sale, lease or licence) under this Agreement and the EULA; and

(b) any other software, including Third Party Software that is specified as licensed software in the relevant SOW;

Loss means any loss, expense, fine, penalty, liability, damages or cost;

Malicious Software means any software program or code intended to destroy, interfere with, corrupt, or cause undesired effects on hardware, program files, data or other information, executable code or application software macros, whether or not its operation is immediate or delayed, and whether the malicious software is introduced wilfully, negligently or without knowledge of its existence and includes computer programs commonly referred to as worms, trojan horses, time or logic bombs, and disabling codes or routines;

Milestone means an event or task described in a SOW which, if applicable, shall be completed by the relevant Milestone Date;

Milestone Date means the date set out against the relevant Milestone in a SOW by which the Milestone must be achieved;

Named Customer means, in respect of each item of Licensed Software, a customer licensed to use such Licensed Software in accordance with this Agreement, as specified in the relevant SOW;

Notice Period means any minimum period of notice that will apply under a SOW if G42 exercises its termination rights under Clause 9.1 in respect of such SOW;

Notified Subcontractor means any subcontractor listed in the relevant SOW in respect of whom G42's consent under Clause 13.1 is deemed given;

Object Code means any Deliverable that is software and/or data in machine-readable, compiled object code form;

Open Source Software means

(a) open source software as defined by the Open Source Initiative (http://opensource.org); or

(b) any other software which, as a condition of its use, development or redistribution, requires that such software, any modifications to that software and/or any other software with which it is combined or distributed be disclosed or distributed in source code form;

Performance Standard means any performance standard described in or applicable under a SOW, including any service level or KPI.

Receiving Party means the Party to whom or for whose benefit the Confidential Information is disclosed;

Regulatory Body means any person or professional body or law enforcement agency anywhere in the world (including the UAE) having regulatory, supervisory or governmental authority (whether under a statutory scheme or otherwise) to regulate, investigate or influence all or any part of the Services or all or any part of the businesses, assets, resources, operations or employees of the Supplier, any relevant Affiliate of the Supplier and/or any relevant member of the G42 Group;

Reimbursable Expense has the meaning given to it in Clause 6.9;

Sanctioned Person means:

(a) a person that appears on the OFAC's Specially Designated Nationals and Blocked Persons ("**SDN**") List, the OFAC Consolidated List, the European Union ("EU") Consolidated List, or the Consolidated list of financial sanctions targets in the United Kingdom, or is otherwise designated as a person with whom business is restricted or prohibited by a government or other sanctioning authority;

(b) the government, including any political subdivision, agency, or instrumentality thereof, of any country region against which is maintained territory-wide economic Sanctions or an embargo, which on the date hereof includes the Crimea region of Ukraine, Cuba, Iran, North Korea, Syria and Venezuela (a "**Sanctioned Country**");

(c) a person ordinarily resident in, or entity registered in or established under the jurisdiction of a Sanctioned Country or

(d) a person with whom any Party is prohibited from transacting business pursuant to any Sanctions;

Sanctions means any trade, economic or financial sanctions, regulations, embargoes or other similar restrictive measures administered, enacted or enforced by any sanctions authority of UN, US, UK and/or EU or the governments and official institutions or agencies of any of the foregoing;

Service Credits means credits which become payable to G42 [***] when the Performance Standards are not achieved, as further described in the relevant SOW;

Services means:

(a) the services and any Deliverables described or expressly incorporated by reference into a SOW; and

(b) any services, functions or responsibilities not specifically described in this Agreement or the relevant SOW but which are incidental to and required for the proper performance and provision of the services described or referred to in this Agreement and the relevant SOW,

as such services may be supplemented, enhanced, modified or replaced from time to time by written agreement between the Parties in accordance with Clause 15.4;

Source Code means any Deliverable that is identified as software in the SOW, expressed in an [***], together with all relevant documentation and technical information reasonably required to enable a person having commercially available computer programming skills to read, understand and modify the Deliverable;

SOW means a document, agreed in accordance with Clause 2, that describes the Services to be provided by the Supplier, the timetable for their performance and the related matters listed in the template statement of work set out in the Schedule to this Agreement;

SOW Effective Date has the meaning given to it in Clause 3.2;

Specification means, in respect of any Deliverable, the specification set out or referred to as a requirement in the relevant SOW;

Supplier Background IPRs means:

(a) Intellectual Property Rights owned by or licensed to the Supplier before the relevant SOW Effective Date, for example those subsisting in the Supplier's standard development tools, Software (as defined in the EULA), documentation, data sets, models, program components or standard code used in computer programming or in physical or electronic media containing the Supplier's knowhow or generic business methodologies;

(b) Intellectual Property Rights created by the Supplier (or on the Supplier's behalf) which are separate and independent from any Deliverable supplied under this Agreement (from the Commencement Date) and under the applicable SOW (from the applicable SOW Effective Date); and/or

(c) Intellectual Property Rights owned by, licensed to or created by the Supplier in any improvements, derivatives, updates, enhancements and upgrades to any items covered under limbs (a) and (b),

which in each case (of limbs (a), (b) and (c)) are used before or during the performance of this Agreement (whenever and to the extent necessary) for designing, testing implementing or providing the Services, but expressly excluding Intellectual Property Rights in any G42 Information and any G42 Background IPRs;

Supplier Personnel means the directors, officers, employees, workers, agents, auditors, consultants or subcontractors of the Supplier and its Affiliates (and includes the directors, officers, workers, employees of such agents, auditors, consultants or subcontractors);

Supplier Project Representative means such Supplier project representative as may be specified in the relevant SOW and/or any other person as the Parties may agree from time to time;

Termination Compensation means such payment as may be determined in accordance with the relevant SOW;

Third Party Software means software supplied as Licensed Software which is proprietary to a third party, as specified in the relevant SOW; and

VAT has the meaning ascribed to it in Federal Decree Law No (8) of 2017 on Value Added Tax (as amended and updated from time to time) and any other laws, resolutions, regulations and circulars issued by the Federal Tax Authority (as established pursuant to Federal Decree Law No. (13) of 2016) in connection thereof.

1.2 In this Agreement:

(a) references to persons include natural persons, firms, partnerships, limited liability partnerships, companies, corporations, unincorporated associations, local authorities, governments, states, foundations and trusts (in each case whether or not having separate legal personality) and any agency of any of the above; and

(b) references to a Party to this Agreement include references to the successors or assigns (immediate or otherwise) of that Party.

References to "**Clauses**" are to clauses in the main body of this Agreement, references to "**Schedule**" are to schedule of this Agreement and references to "**paragraphs**" are to paragraphs of the Schedule or the SOWs.

1.3 The Clause, Schedule and paragraph headings in this Agreement are for convenience and do not affect its interpretation.

1.4 Any phrase introduced by the expressions "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.

1.5 References to the singular include the plural and vice versa, and references to one gender include the other gender.

1.6 Any reference to a statute, statutory provision or subordinate legislation ("**legislation**")

(except where the context otherwise requires) shall be:

(a) deemed to include any bye laws, licences, statutory instruments, rules, regulations, orders, notices, directions, consents or permissions made under that legislation; and

(b) construed as referring to any legislation which replaces, re-enacts, amends or consolidates such legislation (with or without modification) at any time.

1.7 In the case of any inconsistency between any provision of the Schedule to this Agreement and any term of this Agreement, the latter shall prevail.

1.8 References to a Regulatory Body shall be deemed to include a reference to any successor to such Regulatory Body or any organisation or entity which has taken over either or both the functions and responsibilities of Regulatory Body. References to other persons shall include their successors and assignees.

1.9 Any reference to an English legal expression for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be deemed to include a reference to what most nearly approximates in that jurisdiction to the English legal expression.

2. SOWS

2.1 This Clause 2 sets out a framework for the Parties to agree individual SOWs under which the Supplier shall provide certain Services to G42.

2.2 G42 shall be entitled from time to time to request in writing, including by email, the provision of Services from the Supplier. Upon agreement by the Parties of the scope of the Services, timeframes and Fees payable, the Parties shall execute a SOW.

2.3 Each SOW agreed by the Parties under this Clause 2 shall form part of this Agreement and shall not form a separate contract to it.

2.4 Each SOW is governed by

(a) the Clauses of this Agreement (including its Schedule);

(b) any additional terms set out in that SOW; and

(c) to the extent Licensed Software is supplied under the SOW, the EULA.

2.5 If there is any conflict or inconsistency between:

(a) any of the terms of the main body Agreement and its Schedule; and

(b) any additional terms set out in any SOW,

the terms of the main body this Agreement (including its Schedule) shall prevail unless expressly agreed otherwise in the relevant SOW (which shall include an express reference to the specific terms of this Agreement that the SOW is intended to amend and prevail over).

Notwithstanding anything to the contrary, in the event of any inconsistency between this Agreement, any SOW and the EULA, if that conflict or inconsistency is with respect to the use of any Licensed Software that may be supplied under the relevant SOW (referred to as "Software" in the EULA), the EULA shall prevail, and if that conflict or inconsistency is respect to any matter other than the use of the Licensed Software, then the provisions this Agreement shall apply.

2.6 The Supplier acknowledges and agrees that it is engaged on a non-exclusive basis and nothing in this Agreement shall prevent G42 from procuring services that are identical or similar to any Services from a third party.

2.7 Nothing in this Agreement shall be construed as preventing the Supplier from supplying any goods or services to any third parties.

3. TERM

Duration of Master Services Agreement

3.1 The main body of this Agreement (including its Schedule) shall come into effect on the Commencement Date and shall continue unless terminated earlier in accordance with Clause 9.

Duration of SOWs

3.2 Each SOW will become effective on the date specified in the SOW (the "**SOW Effective Date**")**.** The term of each SOW commences on the date specified in the relevant SOW and continues until:

(a) the end date specified in the relevant SOW; or

(b) [***],

unless extended or terminated earlier in accordance with the terms of the relevant SOW or this Agreement.

4. SUPPLIER'S RESPONSIBILITIES

4.1 The Supplier shall:

(a) supply the Services and the Deliverables in accordance with Good Industry Practice and the relevant SOW;

(b) ensure that the Services and Deliverables comply in all material respects with the SOW and [***];

(c) ensure that the Deliverables, and all goods, materials, standards and techniques used in providing the Services are of the quality specified in the SOW and [***];

(d) to the extent G42's requests are reasonable, cooperate with G42 in all matters relating to the Services, and comply with G42's and any relevant G42 Project Representative's reasonable instructions;

(e) before the date on which the Services are to start, obtain and maintain during the term of the relevant SOW, all necessary licences and consents and comply with all relevant legislation in relation to:

(i) the Services; and

(ii) the installation and use of the Supplier's equipment.

(f) observe all applicable health and safety rules and regulations and any other reasonable security requirements that apply from time to time (and that are communicated to the Supplier in writing prior to access) in respect of any premises where the Supplier Personnel supply the Services. G42 reserves the right, acting reasonably, to refuse any of the Supplier Personnel involved in the provision of the Services access to G42's or its customer's premises, which access shall only be given to the extent G42 considers necessary for the performance of the Services. If access by Supplier Personnel to G42's or its customer's premises is necessary for the Supplier to perform the relevant SOW, then G42's unreasonable refusal or delay in granting such access to Supplier Personnel shall entitle the Supplier to apply for relief from liability under Clause 4.2 (below);

(g) hold all G42's materials in safe custody at the Supplier's own risk, maintain such materials in good condition until returned to G42, and not dispose of or use such materials other than in accordance with G42's written instructions or authorisations;

(h) take good care of any equipment provided by G42;

(i) not do or omit to do anything which may cause G42 to lose any licence, authority, consent or permission on which it relies for the purposes of conducting its business;

(j) notify G42 in writing [***] upon the occurrence of a change of Control of the Supplier or its ultimate parent company; and

(k) comply with any additional obligations imposed on it as set out in a SOW.

4.2 Time is of the essence in relation to any performance dates for the Supplier that are agreed under the relevant SOW, including any Milestone or Milestone Date. If the Supplier fails to meet the relevant deadlines (subject to the provisions set out in Clause 15.11 (Force Majeure Event) and in respect of G42 Dependencies as set out in this Clause 4.2), then (without prejudice to G42's right to terminate this Agreement (in whole or in part) and any other rights it may have (including under the SOW)), G42 may:

(a) [***];

(b) [***];

(c) [***];

(d) have any sums previously paid by G42 to the Supplier in respect of the affected Services refunded by the Supplier.

Acceptance. G42 will use [***] to notify the Supplier of its acceptance or rejection of a Milestone [***] after the date on which the Supplier notifies G42 that the Supplier considers such Milestone is completed ("**Notification Date**"), which shall not exceed [***] from such Notification Date ("**Acceptance Period**"). A failure or delay by G42 to notify the Supplier of its acceptance or rejection of a Milestone before the expiry of the Acceptance Period shall constitute deemed acceptance of the relevant Milestone.

G42 Dependencies. To the extent the Supplier fails to comply with this Clause 4.2 as a result of a failure by G42 to perform a G42 Dependency (or, subject to the provisions of Clause 15.11, if a Force Majeure Event occurs), the Supplier will not be liable for such failure to comply and will not be treated as being in breach of this Agreement or the relevant SOW, provided that the Supplier: (i) [***] notifies G42 in writing if it is seeking to rely on the relief from liability under this Clause 4.2, giving reasonable details of the basis on which such relief is claimed; (ii) uses [***] to minimise the effect of the relevant failure by G42 to meet a G42 Dependency on the Supplier's ability to meet the relevant performance date; and (iii) resumes the performance of the affected obligations in accordance with this Agreement and the relevant SOW [***] after the relevant G42 Dependency is met. For the purposes of this Clause

4.2, a "**G42 Dependency**" means any dependency on G42 that may be set out in the relevant SOW.

4.3 In relation to the Supplier Personnel, the Supplier shall:

(a) use the Key Personnel in the provision of the Services and procure that the Key Personnel spend such percentage of their working hours in the provision of the Services as may be specified in the relevant SOW;

(b) ensure that all Supplier Personnel involved in the provision of the Services have suitable skills and experience to enable them to perform the tasks assigned to them, and that such personnel are in sufficient number to enable the Supplier to fulfil its obligations under this Agreement;

(c) retain overall control of such Supplier Personnel at all times so that the Supplier Personnel shall not be deemed to be employees, agents or contractors of G42;

(d) ensure that the Supplier Project Representative has authority to contractually bind the Supplier on all matters relating to the Services;

(e) promptly inform G42 of the absence (or the anticipated absence) of any of the Key Personnel, and if so required by G42, provide a suitably qualified replacement for such individual; and

(f) not make any changes to the Key Personnel throughout the term of the relevant SOW and obtain the prior written approval of G42 to any replacements for such individuals.

4.4 The Supplier represents, warrants and undertakes that:

(a) it is duly incorporated and validly existing under the laws of the State of Delaware and is fully qualified and empowered to own its assets and carry on its business;

(b) it has the requisite power and authority to enter into this Agreement (including each SOW) and to perform the obligations contemplated by this Agreement (including each SOW);

(c) it has obtained, and undertakes that it will maintain at all times, at its own cost, all consents, licences and permissions required by it to perform each of the Services;

(d) it will, at all times during the performance of the Services, keep itself acquainted with and comply with all Applicable Law;

(e) it will perform its obligations under this Agreement and the relevant SOW in a manner that does not infringe, or constitute an infringement or misappropriation of, any third party Intellectual Property Rights;

(f) there are no actions, suits or proceedings in existence or threatened that might affect the Supplier's ability to perform its obligations under this Agreement or the relevant SOW;

(g) neither it nor any person or entity that will perform services under this Agreement (including any Supplier Personnel): (i) is a Sanctioned Person; (ii) has violated Sanctions in any material respect; or (iii) is engaged, or will engage, in any dealings that are reasonably likely to result in the designation of the Supplier or G42 as a Sanctioned Person;

(h) no transactions conducted pursuant to this Agreement will be undertaken in violation of: (i) Sanctions or (ii) applicable U.S. or EU export controls, including the unauthorised export, reexport or transfer of any item, including technical data, that is

subject to the U.S. Export Administration Regulations to any person on the U.S. Department of Commerce Entity List;

(i) it will not, nor will the Supplier Personnel, accept or give any commission or gift or other financial benefit or inducement from or to any person in connection with the Services and will ensure that its employees, agents and subcontractors will not accept or give any such commission, gift, benefit or inducement, and will immediately give G42 details of any such commission, gift, benefit or inducement which may be offered;

(j) it will comply with all G42's reasonable physical and data security requirements in respect of access to G42 Information, provided those requirements are communicated to the Supplier in writing and agreed to prior to the relevant SOW being entered into;

(k) it will notify G42 [***] and comply with all reasonable and lawful directions of G42 if Supplier becomes aware of the contravention of any G42 physical security requirement, data security requirement or personal data breach; and

(l) it will promptly return to G42 and/or destroy any copies of G42 Information and/or the Licensed Materials in accordance with any request made by G42 from time to time.

Malicious Software

4.5 Without limiting any obligations of the Supplier under this Agreement or any SOW regarding Malicious Software and related activities, the Supplier represents, warrants and undertakes that:

(a) it will not knowingly insert or include, or permit or cause any Supplier Personnel to insert or include, any Malicious Software into any of the Supplier's systems, any Deliverable or any software or systems used by G42 (the "**Relevant Software/Systems**");

(b) it will use up-to-date, industry accepted anti-virus software to check for and prevent any Malicious Software being introduced into any of the Relevant Software/Systems; and

(c) to the extent that any Malicious Code is found in any of the Relevant Software/Systems as a result of any failure Supplier to comply with the requirements of this Agreement or any SOW (including this Clause 4.5), it will:

(i) co-operate with the G42 Group to reduce the *effect* of such Malicious Software; and

(ii) assist the G42 Group to mitigate any losses resulting from such Malicious Code (including loss of operational efficiency and loss or corruption of G42 Information) and to restore the affected Relevant Software/Systems to their normal operating efficiency.

4.6 If there is a breach of any provision of this Clause 4 by the Supplier, the Supplier shall remedy such breach at its own cost [***], without prejudice to any other rights or remedies of any member of the G42 Group, whether under this Agreement, the relevant SOW or otherwise.

4.7 Disclaimer. Notwithstanding anything to the contrary herein, Clause 4.1(a), Clause 4.1(b), Clause 4.1(c), Clause 4.1(k) and Clause 4.4(e) shall not apply, and Supplier expressly disclaims any warranties or responsibility whatsoever with respect to nonconformance of the relevant Deliverables or Services or claims to the extent the nonconformity or claim is caused in whole or in part by: (i) compliance with G42's specifications, designs, IPRs, data, instructions, requirements or other G42 or third-party contributions (provided that the

Supplier has used Good Industry Practice in the course of advising G42 on the possible risks of complying with such specifications, designs, IPRs, data, instructions, requirements or contributions to the extent the risks are known or should have been known by Supplier); (ii) Deliverables or Services not used for the purpose created, or in a normal and proper manner, in accordance with and by reference to the Documentation or Specifications for such Deliverables or Services provided by the Supplier; (iii) Deliverables or Services modified, misused or altered by anyone other than Supplier or its authorized representatives or agents (provided that the modification, misuse or alteration is contrary to modifications, use or alterations reasonably foreseeable under the Documentation or Specifications for such Deliverables or Services provided by the Supplier); (iv) the combination of the Deliverables or Services with other data, materials, software, products or equipment not provided or authorized by Supplier (except to the extent such combination is reasonably contemplated by the Documentation or Specifications for such Deliverables or Services provided by the Supplier); or (v) subject to Clause 15.11, any Force Majeure Event. G42 acknowledges that Supplier shall not be liable for any costs and expenses incurred to remedy or cure any defect or nonconformance to the extent the exclusions set forth in the Disclaimers in this Clause 4.7(i) through (v) apply. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, TO THE FULLEST EXTENT PERMITTED BY LAW, SUPPLIER AND ITS AFFILIATES, LICENSORS, AND SUBCONTRACTORS: (A) MAKE NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, AND (B) DISCLAIM ALL WARRANTIES, EXPRESS, IMPLIED, OR STATUTORY, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT OF THIRD PARTY RIGHTS. SUPPLIER AND ITS AFFILIATES, LICENSORS, AND SUBCONTRACTORS DO NOT WARRANT THAT THE DELIVERABLES, SERVICES OR OUTPUT ARE ACCURATE, COMPLETE, ERROR-FREE OR UNINTERRUPTED, NOR DOES SUPPLIER WARRANT THAT THE DELIVERABLES OR SERVICES WILL PRESERVE OR MAINTAIN G42'S OR THIRD PARTY DATA WITHOUT LOSS. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, THE DELIVERABLES, SERVICES AND OUTPUT ARE PROVIDED "AS IS" AND "AS AVAILABLE." EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, SUPPLIER DOES NOT MAKE ANY WARRANTIES AND SHALL HAVE NO OBLIGATIONS WITH RESPECT TO THIRD PARTY SOFTWARE OR APPLICATIONS. The foregoing warranty, disclaimers and limited remedies do not apply to Licensed Software provided or made available by Supplier, which is governed by the EULA or other applicable license terms.

4.8 Without prejudice to G42's other rights or remedies, whether under this Agreement, the relevant SOW or otherwise, if:

(a) the Supplier receives a written notice from G42 that a material breach of this Agreement has occurred; or

(b) the Supplier becomes aware (on an actual or imputed basis) that a material breach has occurred,

then the Supplier shall: (i) provide G42 with a remedial plan within [***] of (a) or (b), whichever occurs first; and (ii) implement such plan within [***] of (a) or (b), whichever occurs first.

5. PERFORMANCE STANDARDS

5.1 With *effect* from the relevant SOW Effective Date, the Supplier shall perform the Services so as to achieve the applicable Performance Standards.

5.2 The relevant SOW sets out the circumstances in which Service Credits will be payable by the Supplier.

5.3 The Parties agree that:

(a) the payment of Service Credits is without prejudice to any other rights or remedies available to G42, whether under this Agreement, the relevant SOW or otherwise; and

(b) G42 shall be entitled to [***].

6. PAYMENT

6.1 G42 shall pay the Fees to the Supplier in accordance with this Clause 6 and the relevant SOW.

6.2 The Supplier shall submit invoices to G42 for the Fees in accordance with the provisions set out in the relevant SOW.

6.3 Each invoice submitted by the Supplier shall:

(a) be calculated in accordance with this Agreement;

(b) contain sufficient detail to enable G42 to verify its accuracy; and

(c) addressed and delivered in accordance with G42's reasonable written requirements from time to time.

6.4 Subject to Clause 6.5, G42 shall pay each invoice complying with this Clause 6 within [***] from the date of receipt of the invoice or in accordance with the relevant SOW, provided that an invoice shall be deemed to be properly rendered only once the Supplier has submitted all documents reasonably required by G42 (or the G42 Project Representative) to support each invoice. If the Fees payable under the SOW are calculated on a time and materials basis, such documents shall include timesheets evidencing time spent and signed by the G42 Project Representative. All invoices and supporting documentation must be sent to the invoice address specified in the SOW.

6.5 G42 shall have the right to deduct from any monies due or which may become due to the Supplier, any undisputed monies or sums recoverable from the Supplier to G42 in respect of any undisputed claims against the Supplier.

6.6 If there is a good faith dispute about whether any amount is payable to the Supplier under this Agreement, G42 may withhold the amount in dispute until the dispute is resolved; provided however, G42 shall notify Supplier within [***] of receipt of any invoice if there is any dispute. Failure to notify Supplier of any such dispute shall be deemed an undisputed invoice subject to timely payment in accordance with this Clause 6 and the relevant SOW; provided however, failure by G42 to notify the Supplier of such a dispute within such time period or payment of the relevant invoice by G42 shall not be deemed to prejudice or operate as a waiver of G42's rights or remedies, whether under this Agreement or Applicable Law.

6.7 All sums due to the Supplier under this Agreement are exclusive of VAT (if applicable) which will be charged in addition in accordance with the relevant regulations in force at the time of making the relevant taxable supply and must be paid by G42 against receipt from the Supplier of a valid VAT invoice in respect thereof.

6.8 Unless otherwise expressly set out in this Agreement or agreed between the Parties in writing, the obligation to pay the Fees (together with any applicable VAT) will constitute G42's entire payment liability to the Supplier under this Agreement. [***].

6.9 The Parties agree that:

(a) the Fees payable under each SOW exclude [***] ("**Reimbursable Expenses**"); and

(b) the Supplier shall be entitled to invoice for and be reimbursed for such Reimbursable Expenses, provided that they are:

(i) agreed to in writing by G42 before they are incurred by the Supplier (such as where they are specified in the relevant SOW); and

(ii) supported by the Supplier providing sufficient information in writing to enable G42 to reasonably assess whether they are properly payable.

7. INTELLECTUAL PROPERTY RIGHTS

7.1 The Parties agree as follows:

(a) each Party undertakes not to do or permit anything which may adversely affect the IPR of the other Party or its Affiliates, or assist or allow others to do so; and

(b) G42 shall not and shall not permit any of its Affiliates or end users to disassemble, reverse compile, reverse engineer, decompile, download, copy, or otherwise translate the Supplier's Background IPRs in the Licensed Software or Supplier's Confidential Information, except as otherwise permitted under this Agreement (including under any SOW).

7.2 Except as expressly set out in this Agreement:

(a) G42 shall not acquire any right, title or interest in or to the Supplier Background IPRs; and

(b) the Supplier shall not acquire any right, title or interest in or to the Intellectual Property Rights of G42 or its licensors, including G42 Background IPRs, the Foreground IPRs and the Intellectual Property Rights in G42 Information.

7.3 Where either Party acquires, by operation of law, title to Intellectual Property Rights that is inconsistent with the allocation of title set out in Clause 7.2, it shall assign in writing such Intellectual Property Rights as it has acquired to the other Party on the request of the other Party (whenever made).

7.4 The Parties agree that:

(a) the Supplier shall have no right to use any of G42's names, logos or trade marks on any of its products or services without G42's prior written consent; and

(b) G42 shall have no right to use any of the Supplier's names, logos or trade marks on any of its products or services without the Supplier's prior written consent.

Foreground IPRs

7.5 The Supplier acknowledges and agrees that the Foreground IPRs shall be owned by G42.

7.6 Pursuant to Clause 7.5 the Supplier hereby assigns to G42 absolutely by way of present and future assignment, with full title guarantee, the Foreground IPRs including but not limited to any that are comprised in any Deliverables, together with the right to bring, make, oppose, defend, appeal proceedings, claims or actions and obtain relief (and to retain any damages recovered) in respect of any infringement, or any other cause of action arising from ownership, of such Foreground IPRs whether occurring before, on, or after the date of this Agreement.

7.7 To the extent that any title to the Foreground IPRs remains vested in the Supplier, the Supplier shall do all further acts and things, including the entering into of a further assignment, in order to vest full title in the same in G42.

7.8 To the extent that any of the Services are performed by or any Deliverable is developed by a third party, the Supplier shall ensure that any Foreground IPRs arising from the work of any such third party shall be assigned to G42 absolutely.

7.9 The Supplier shall:

(a) inform G42 of any Deliverable and/or any element of Foreground IPRs that constitutes a modification or enhancement to software containing the Supplier Background IPRs (including software owned by third parties);

(b) deliver to G42 any software that is comprised in any Deliverable in both Source Code and Object Code forms), other related documentation in accordance with the timetable set out in the relevant SOW and shall provide updates of the Source Code [***] following each new release of the relevant Deliverable, in each case on media that is reasonably acceptable to G42;

(c) provide full details to G42 of any Supplier Background IPRs which are embedded in or which are an integral part of the Deliverable or any other Deliverable (including any Intellectual Property Rights owned by a third party);

(d) obtain any assignments of Intellectual Property Rights from members of the Supplier Personnel and/or any other third parties that are necessary to give effect to Clauses 7.2, 7.5 and 7.6; and

(e) procure that each member of the Supplier Personnel and any other relevant third parties waive any moral rights (as conferred by Chapter IV of the Copyright, Designs and Patents Act 1988 or any analogous or equivalent law) in relation to any copyright work forming part of any Deliverable.

Supplier Background IPRs

7.10 Subject to Clause 9.7, the Supplier grants to G42 a perpetual, irrevocable, non-exclusive, royalty-free, worldwide and sub-licensable (in accordance with Clause 7.12) licence to use (including but not limited to the right to [***]) the Supplier Background IPRs (excluding the Licensed Software) to the extent necessary for any member of G42 Group to enjoy the full benefit of the Services and the Deliverables supplied under this Agreement.

7.11 The licence granted under Clause 7.10 shall take effect on the date that the relevant Supplier Background IPRs are first made available in a Deliverable to a member of the G42 Group by or on behalf of the Supplier.

7.12 G42 may grant a sub-licence of its rights under Clause 7.10 to any member of the G42 Group or any Named Customer, provided G42 procures that the relevant member of the G42 Group and/or Named Customer's access and/or use rights shall at all times be in accordance with the terms of this Agreement and the EULA or relevant license agreement (to the extent Licensed Software is being used by the relevant member of the G42 Group or Named Customer) or is subject to terms of an agreement that are materially equivalent to the terms of this Agreement and the EULA, including but not limited to the Supplier's liability under the limited warranties (if any) and disclaimers contained herein and therein. G42 shall use [***] to ensure compliance by any such G42 Group member and/or Named Customer with the obligations therein and will use best efforts to enforce the terms of such agreement with G42 Group members and Named Customers in an effort to protect Supplier Background IPRs.

Licensed Software

7.13 The Supplier hereby grants to G42 and each applicable Named Customer a non-exclusive, non-transferable, [***] licence to use the Licensed Software during the relevant Licence Term as set forth in the EULA or relevant SOW or license agreement, provided that.

(a) "use" of the Licensed Software shall be restricted to use of the Licensed Software in object code form for the normal business purposes of G42 and any applicable Named Customer, including any act which is reasonably incidental to such use, including the

maintenance of a reasonable number of back-up or test copies of the Licensed Software;

(b) to the extent the Licensed Software is Third Party Software, G42 understands and agrees that such Third Party Software is licensed to G42 on the terms and conditions of the corresponding third party license or end-user agreement, provided that such terms and conditions are identified by the Supplier in the relevant SOW and agreed to by G42 prior to the relevant SOW Effective Date. Subject to the foregoing sentence, G42 shall, and shall procure that each Named Customer shall, comply with any such third party license or end-user agreements;

and

(c) neither G42 nor any applicable Named Customer shall have any other right to copy, adapt, reverse engineer, decompile, disassemble or modify the Licensed Software in whole or in part except as permitted by law or to the extent that such action is legitimately required for the purposes of integrating the operation of the Licensed Software with the operation of other software or systems used by G42 or the applicable Named Customer.

Licence granted by G42

7.14 G42 grants to the Supplier a limited, non-exclusive, [***], non-transferable licence to use G42 Background IPRs, the Foreground IPRs and the Intellectual Property Rights in G42 Information during the term of the relevant SOW solely to the extent necessary for the Supplier to supply the Services and perform its other obligations under such SOW (the "**Licensed Materials**")**.** For the avoidance of doubt, the Supplier shall not use the Licensed Materials for any other purpose or for the benefit of any persons other than members of G42 Group without G42's prior written consent, which may be withheld or withdrawn at the sole discretion of G42.

Open Source

7.15 G42 acknowledges and agrees that the Supplier may use Open Source Software in the course of supplying the Services under this Agreement, provided that the Supplier:

(a) ensures that any Deliverable that is software does not become subject to any obligation to provide any Source Code relating to such Deliverable to any third party, as a result of:

(i) the relevant software using or otherwise interacting with any Open Source Software;

(ii) the incorporation of any Open Source Software within the relevant software; and/or

(iii) the relevant software being otherwise integrated or combined with any Open Source Software; and

(b) shall not be relieved of any of its liabilities or obligations under this Agreement as a result of the use of any Open Source Software.

7.16 Any use of Open Source Software by the Supplier in relation to this Agreement must not:

(a) limit or exclude any rights or remedies of any member of G42 Group under this Agreement; or

(b) require any member of G42 Group to be subject to new or different obligations under this Agreement.

G42's suggestions

7.17 Notwithstanding anything to the contrary herein, the Supplier may freely use and incorporate [***] into the Supplier's products, software and services any suggestions, enhancement requests, recommendations, corrections, or other feedback provided by G42 or by any users of the Services relating to Deliverables or Services, excluding any G42 Information or Licensed Materials.

8. CONFIDENTIALITY AND PUBLICITY

8.1 In respect of any Confidential Information belonging to or received from a Disclosing Party, the Receiving Party shall:

(a) keep all such Confidential Information confidential, using at least the same degree of care (but no less than a reasonable degree of care) to safeguard, and to prevent the disclosure to third parties of, such Confidential Information as it applies with respect to the protection of its own information of a similar nature;

(b) not disclose such Confidential Information to any person except with the prior written consent of the Disclosing Party or in accordance with this Clause 8.1; and

(c) only use or make copies of such Confidential Information in connection with and to the extent necessary for the purposes of this Agreement or the relevant SOW.

8.2 The Receiving Party shall be entitled to disclose Confidential Information to its personnel who are directly involved in the provision of the Services and for whom such access is reasonably necessary for the proper performance of the Receiving Party's obligations under this Agreement or the relevant SOW, provided that the Receiving Party:

(a) informs such personnel that the Confidential Information is confidential;

(b) ensures that such personnel (other than those already under an obligation of confidence to the Receiving Party or their Affiliates under their employment arrangements) enter into written confidentiality undertakings with the Receiving Party (or an applicable Affiliate) on equivalent terms to this Clause 8, and provides copies of such undertakings to the Disclosing Party if requested;

(c) ensures that such personnel use the Confidential Information solely in relation to the performance of the Receiving Party's obligations under this Agreement or the relevant SOW; and

(d) shall be responsible for all acts and omissions of such personnel as though they were its own acts or omissions under this Agreement and the relevant SOW.

8.3 A Receiving Party may disclose Confidential Information to any regulator, law enforcement agency or other third party if it is mandated to do so by Applicable Law, provided that:

(a) the Receiving Party shall (provided that it is practical and lawful to do so) notify the Disclosing Party in writing [***] before the disclosure;

(b) the Parties shall use [***] to consult with each other with a view to agreeing the timing, manner and extent of the disclosure; and

(c) the Receiving Party shall in any event use [***] to obtain written confidentiality undertakings in its favour from the third party.

If a Receiving Party is unable to inform a Disclosing Party before the Confidential Information is disclosed, it shall (provided that it is lawful to do so) fully inform the Disclosing Party

immediately afterwards in writing of the circumstances of the disclosure and the Confidential Information which has been disclosed.

8.4 A Receiving Party shall (without limiting a Disclosing Party's rights or remedies under this Agreement, the relevant SOW or at law) [***] notify the Disclosing Party of any unauthorised possession or use of Confidential Information by any third party of which it becomes aware.

8.5 This Clause 8 shall not apply to Confidential Information:

(a) to the extent it is or becomes generally available to the public other than through a breach of this Agreement or any SOW;

(b) which the Receiving Party can show by its written or other records was lawfully in the possession of the Receiving Party prior to disclosure and which had not previously been obtained from a Disclosing Party or another person known by the Supplier to be under an obligation of confidence to the Disclosing Party;

(c) which subsequently comes into the possession of the Receiving Party from a third party who does not owe the Disclosing Party an obligation of confidence in relation to it; or

(d) which the Receiving Party can show by its written or other records was independently developed by or on behalf of the Receiving Party.

8.6 The Parties' obligations under this Clause 8 shall continue in force notwithstanding the termination or expiry of this Agreement.

8.7 The Parties acknowledge that damages alone would not be an adequate remedy in the event of a breach of the provisions of this Clause 8. Accordingly, it is agreed that either Party and any applicable Affiliate of G42 shall be entitled, without proof of special damages, to seek an injunction or other interim remedy for any threatened or actual breach of this Clause 8, without prejudice to any other rights and remedies which the Disclosing Party or the applicable Affiliate may have.

8.8 Neither Party shall, and shall procure that their personnel do not, make any public announcement or issue any media release relating to the execution or subject matter of this Agreement or any SOW without the prior written consent of the other Party as to the form, content and timing of the announcement or release.

9. TERMINATION

9.1 If a SOW specifies: (i) the Termination Compensation payable to the Supplier; or (ii) expressly states that no Termination Compensation shall be payable under such SOW (if G42 exercises its rights under this Clause 9.1), then G42:

(a) shall be entitled to terminate such SOW (in whole or in part) at any time on giving the Supplier not less than [***] prior written notice of termination (or such alternative Notice Period as may be set out in the relevant SOW; and

(b) shall have no further liability to the Supplier for such early termination, other than payment of the relevant Fees due under the SOW in respect of such Notice Period or, if Termination Compensation is set forth in such SOW, then payment of such Termination Compensation amount for such early termination.

The Parties acknowledge and agree that the Fees set forth in the SOW or, alternatively the Termination Compensation, if any is expressly stated, shall constitute the Supplier's sole remedy for termination of the relevant SOW by G42 under this Clause 9.1.

9.2 G42 may, without prejudice to its other rights or remedies, immediately terminate this Agreement in whole or in part (including terminating any SOW in whole or in part) by giving written notice to the Supplier if:

(a) the Supplier is in material breach of any of its obligations under this Agreement and either:

(i) that breach is incapable of remedy;

(ii) if the breach is capable of remedy, the Supplier fails to remedy the breach within [***] of a receipt of G42's written notice to do so (or within such alternative period as may be specified in the relevant SOW);

(b) the Supplier repeatedly or persistently breaches:

(i) the same or similar provisions of this Agreement such that, by their repetition or persistence, such breaches become material; or

(ii) any of the terms of this Agreement in such a manner as to reasonably justify the opinion that the Supplier's conduct is inconsistent with it having the intention or ability to give effect to the terms of this Agreement,

provided that G42 notifies the Supplier in writing with reasonable detail of such repeated or persistent breaches and the Supplier fails to cure such breaches as are capable of cure within [***] of such notice;

(c) an Insolvency Event occurs in respect of the Supplier; or

(d) the Supplier materially breaches Clause 8 (Confidential Information and Publicity).

9.3 The Supplier, without prejudice to its other rights and remedies, may terminate any applicable SOW by giving written notice to G42 if in respect of such SOW:

(a) G42 fails to pay an invoice which is:

(i) due and payable under such SOW;

(ii) not the subject of a good faith dispute pursuant to the process set forth in Clause 6.6;

(iii) overdue for a period of at least [***] days after the end of the permitted payment period under Clause 6.4 ("**Overdue Period**"), and

(iv) not paid within [***] following Supplier's notice of non-payment (such notice not to be given before the end of the Overdue Period);

(b) an Insolvency Event occurs in respect of G42;

(c) G42 materially breaches Clause 8 (Confidentiality and Publicity);

(d) G42's misappropriation or infringement of Supplier Background IPRs;

(e) G42's material breach of the EULA or relevant license agreement (to the extent Licensed Software is applicable); or

(f) the Supplier proves that, on the balance of probabilities, G42's material violation of Applicable Law is the primary cause in: (i) materially adversely affecting the Supplier's ability to perform the Services in accordance with such SOW; or (ii) exposing Supplier

to punitive action or order issued by a Regulatory Body (including but not limited to charges, fines, penalties, or injunctive action).

9.4 On expiry or termination of this Agreement for any reason (and whether in whole or in part), each Party shall promptly:

(a) return to the other Party all documents and materials (and any copies) containing the other Party's Confidential Information in connection with this Agreement;

(b) erase all the other Party's Confidential Information and data from its computer systems (to the extent possible) in connection with this Agreement or the terminated Services, as applicable; and

(c) on request, certify in writing to the other Party that it has complied with the requirements of this Clause 9.

9.5 Each Party's further rights and obligations under this Agreement (or the relevant part of this Agreement, as applicable) will cease immediately on expiry or termination, provided that expiry or termination will not affect:

(a) the accrued rights and obligations of the Parties as at the date of expiry or termination;

(b) the licence to use the Supplier Background IPRs granted by the Supplier to G42 under Clause 7.10 for Deliverables already delivered and paid for by G42, and, subject to the relevant Licence Term, the licence to use the Licensed Software granted by the Supplier to G42 and each applicable Named Customer under and in compliance with Clause 7.13; and

(c) the continued operation of Clause 1, Clause 7, Clause 8, Clause 9.3, this Clause 9.5, Clause 9.6, Clause 9.7, Clause 10 and Clauses 12 to 16 (inclusive), and any other provisions of this Agreement which are necessary for the interpretation and enforcement of this Agreement.

9.6 On termination of this Agreement for any reason (and whether in whole or in part), the Supplier shall in respect of the Services, promptly deliver to G42 all Deliverables generated by the Supplier under this Agreement (whether complete or incomplete), except to the extent prohibited by law.

9.7 If the Supplier terminates a SOW under Clause 9.3, all licenses granted to G42 to use the Supplier Background IPRs comprised in any Deliverables supplied under such SOW and all licenses granted to use the Licensed Software supplied under such SOW will immediately cease (solely to the extent the Fees for the relevant Deliverables and Licensed Software supplied under such SOW are not yet paid), and G42 shall:

(a) [***] return to the Supplier all such Deliverables and Licensed Software in its possession and control; and

(b) have no further rights to use such Supplier Background IPRs comprised in such Deliverables and Licensed Software immediately upon Supplier's termination of the relevant SOW under Clause 9.3.

10. LIABILITY

10.1 Nothing in this Agreement or any SOW shall operate so as to exclude or limit the liability of either Party to the other for:

(a) death or personal injury arising out of negligence;

(b) fraud; or

(c) any other liability which cannot be excluded or limited by Law.

10.2 The Parties agree the following indemnification arrangements:

(a) G42 shall indemnify, defend and hold harmless the Supplier against any third party claim against the Supplier caused by:

(i) [***];

(ii) [***]; or

(iii) [***]; and

(b) the Supplier shall indemnify, defend and hold harmless G42 against any third party claim against G42 caused by:

(i) [***];

(ii) [***]; or

(iii) [***].

10.3 The Supplier shall indemnify, keep indemnified and hold harmless each member of the G42 Group against any Loss suffered or incurred by a member of the G42 Group in connection with:

(a) [***]; and

(b) [***].

Notwithstanding anything to the contrary herein, Supplier shall be relieved of liability under this Clause 10.3 in respect of any IPR Claim to the extent that the IPR Claim arises out of or in connection with: (i) use of or compliance with G42's specifications, G42's Background IPRs, G42 Information, designs, data, instructions, requirement or other G42 or third-party contributions (provided that the Supplier has used Good Industry Practice in the course of advising G42 on the possible risks of complying with such specifications, designs, IPRs, data, instructions, requirements or contributions to the extent such risks are known or should have been known to the Supplier); (ii) the Deliverables, Supplier Background IPRs, or the Foreground IP (including any software embedded therein) were or are modified, altered, or used improperly by anyone other than Supplier or not used in a normal and proper manner, in accordance with and by reference to the documentation provided to G42; or (iii) the IPR Claim arises out of the combination of the Deliverables, Supplier Background IPRs, Licensed Software or the Foreground IP with other materials, software, data or equipment not provided or authorized by Supplier (except to the extent such combination is reasonably contemplated or expressly referenced in the Documentation or Specifications for such Deliverables, Supplier Background IPRs, Licensed Software or Foreground IPRs provided by the Supplier).

10.4 If any claim subject to an indemnity obligation under Clause 10.2 or Clause 10.3 is made, the following procedures shall apply:

(a) the Indemnified Person shall give the indemnifying Party prompt written notice of the claim;

(b) the Indemnified Person shall provide the indemnifying Party with such assistance as it reasonably requests in conducting the defence of the indemnified claim (at the indemnifying Party's consent); and

(c) the indemnifying Party may elect to have control of the defence of proceedings relating to the indemnified claim and all negotiations for its settlement (at its expense).

10.5 Failure by G42 to comply with the requirements in Clause 10.4 shall not relieve the Supplier of any obligation to indemnify G42 under Clause 10.3 in respect of any claim, but shall represent a separate breach of this Agreement.

10.6 If the indemnifying Party exercises its option under Clause 10.4(c), the indemnifying Party shall:

(a) conduct the defence of any proceedings relating to the claim diligently, using competent counsel and in such a way as not to bring the reputation of the Indemnified Party into disrepute;

(b) reasonably consult with the Indemnified Party and keep the Indemnified Party informed of all material matters;

(c) obtain the Indemnified Party's prior approval (not to be unreasonably withheld or delayed) before any settlement is made in respect of the claim; and

(d) comply at all times with any reasonable directions given by the Indemnified Party.

10.7 If the indemnifying Party exercises its option under Clause 10.4(c), the indemnifying Party shall not make any admission or concession in the claim nor consent to settlement without the Indemnified Party's prior written consent.

10.8 If the indemnifying Party does not take control of the defence of proceedings under Clause 10.4(c) or does not comply with its obligations under Clause 10.6, the Indemnified Party may assume the defence against the claim at the indemnifying Party's expense in such manner as the Indemnified Party may deem appropriate.

10.9 If an IPR Claim is made, or in the Supplier's reasonable opinion is likely to be made, against G42, the Supplier may at its option and expense and without prejudice to the Supplier's obligations under Clauses 10.3 and 10.6:

(a) obtain for G42 the right to continue using the Deliverable or Licensed Software, or continue to take the benefit of any Services that are affected by the IPR Claim in accordance with the terms of this Agreement; or

(b) modify or replace any element of the applicable Deliverable, Licensed Software or Services so that it becomes non-infringing (provided that the modified or replaced Deliverable, Licensed Software or Services provide the same performance and functionality and do not adversely affect the use of the Deliverable, the Licensed Software or the Services).

10.10 Limitation of Liability.

a. Indirect Damages Exclusion. SUBJECT TO CLAUSE 10.10.c. BELOW, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, IN NO EVENT WILL EITHER PARTY BE LIABLE UNDER ANY CONTRACT, TORT, STATUTORY, INDEMNITY OR OTHER LEGAL OR EQUITABLE THEORY, INCLUDING NEGLIGENCE, FOR [***].

b. Total Liability Cap. SUBJECT TO CLAUSE 10.10.c. BELOW, EACH PARTY'S AGGREGATE LIABILITY UNDER EACH SOW ARISING OUT OF OR IN CONNECTION WITH ANY DELIVERABLES, LICENSED SOFTWARE, SERVICES OR ANY OTHER ASPECT OF THIS AGREEMENT OR SUCH SOW WILL NOT EXCEED: [***].

c. Exceptions. NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, CLAUSE 10.10.a. and 10.10.b. ABOVE SHALL NOT APPLY TO EITHER PARTY'S: [***].

10.11 This Clause 10 shall remain in full force and effect notwithstanding any termination or expiry of this Agreement.

11. INSURANCE

11.1 The Supplier undertakes to obtain and maintain at its own expense a policy or policies of insurance with reputable insurers, valid and enforceable in each of the jurisdictions in which it is performing the Services, insuring the Supplier against potential liabilities under or in relation to this Agreement, to an extent and to limits that would be reasonably expected or required under the standards of Good Industry Practice and Applicable Laws, provided that the requirements stated herein shall not be construed in any way as a limit of the Supplier's liability under this Agreement or as constituting any waiver by G42 of any of its rights or remedies under this Agreement.

11.2 The Supplier shall allow G42 to inspect such policies or certificates of insurance obtained and/or maintained by the Supplier under Clause 11.1 and shall provide copies of the same at G42's request, together with copies of renewals and evidence that all premiums due have been paid. Neither inspection nor receipt of such copies shall constitute acceptance by G42 of the terms thereof or a waiver of the Supplier's responsibilities hereunder.

11.3 The Supplier shall ensure that any agent or subcontractor engaged by the Supplier in relation to the Services obtains and maintains all insurances required by all Applicable Laws with reputable insurers and as would be expected under the standards of Good Industry Practice and all such other insurances as the Supplier may consider necessary. Any deficiencies in the cover or policy limits of insurances of such agents or subcontractors shall be the sole responsibility of the Supplier.

12. RECORDS AND AUDITS

12.1 At all times during the term of this Agreement (including the term of any SOWs), the Supplier shall:

(a) maintain appropriate financial and operational records and other documentation relating to this Agreement, each SOW and the provision of the Services (including such records and documentation as may be reasonably necessary for the G42 Group to determine the accuracy of the Fees); and

(b) provide G42 with copies of such records and other documentation at G42's reasonable request.

12.2 The Supplier shall grant to: (i) [***]; and (ii) Regulatory Bodies, and to their authorised agents (together, the "**Auditors**"), rights of access to the following for the purpose of performing such audits as G42 Customers or Regulatory Bodies may require [***] after the expiry or termination of the last SOW to be in force under this Agreement):

(a) the premises, resources and personnel used by the Supplier, the Supplier's Affiliates and its and their subcontractors in connection with the provision of the Services; and

(b) the materials referred to in Clause 12.1.

12.3 The purpose of audits under this Clause 12 shall be restricted to fulfilment of any audit requirements of: (i) any G42 Customer; or (ii) any Regulatory Body.

12.4 Except as set out in Clause 12.5:

(a) G42 shall provide reasonable advance written notice of the intention of any G42 Customer to conduct an audit under this Clause 12;

(b) G42 shall use [***] to ensure that each audit under this Clause 12 is conducted during the Supplier's normal working hours; and

(c) G42 shall use [***] to ensure that any disruption to the Supplier's normal business activities in relation to an audit under this Clause 12 is minimised.

12.5 The limitations in Clause 12.4 shall not apply where an audit under this Clause 12 is to be conducted in connection with an audit request of a Regulatory Body.

12.6 The Supplier shall fully co-operate with (and shall ensure that the Supplier Personnel fully co-operate with) the Auditors, including by providing any assistance or information reasonably required by the Auditors.

12.7 The Parties acknowledge that it is not intended that the Auditors will have access to any information or records relating to other customers of the Supplier or any of its Affiliates as part of any audit under this Clause 12, but it shall be the Supplier's responsibility to ensure that the information, records and other materials relating to this Agreement and each SOW are segregated in such a way as to ensure that the Supplier is able to comply with its obligations under this Clause 12 in a manner that also is consistent with this Clause 12.7.

13. ASSIGNMENT AND SUBCONTRACTING

13.1 The Supplier shall not subcontract, sub-license, assign, transfer, mortgage, charge, declare a trust over or deal in any other manner with this Agreement, or with any of its rights or obligations under this Agreement, without the prior written consent of G42 [***]. Any attempt to subcontract, sublicense, assign, transfer, mortgage, declare a trust over or deal in any other manner with this Agreement without G42's consent shall be null and void and shall be a breach of this Agreement by the Supplier.

13.2 G42 hereby agrees that its consent under Clause 13.1 is deemed given in respect of such Notified Subcontractors as may be listed in a SOW and that, accordingly, the Supplier is entitled to subcontract its obligations under this Agreement in respect of such Notified Subcontractors.

13.3 Nothing in this Agreement shall prevent or restrict G42 from subcontracting, sublicensing, assigning, transferring, mortgaging, creating a charge or trust over or otherwise dealing in any other manner with this Agreement to an Affiliate of G42 or any other person, provided that, in the case of an assignment, the assignee entity is as bound by the terms of this Agreement (including any relevant SOW) as G42 was bound prior to the assignment taking effect.

14. NOTICES

14.1 Any notice or other document to be served under this Agreement may be delivered or sent by post, or email (with receipt confirmed), in the case of G42 to:

To G42:

[***]
or, in the case of the Supplier, at its address set out in the preamble of this Agreement or as otherwise agreed between the Parties.

14.2 When providing service of a notice or document it shall be sufficient to prove that delivery was made or that the envelope containing the notice or document was properly addressed and posted or that the e-mail was properly addressed and dispatched (as the case may be) in accordance with Clause 14.1.

15. GENERAL

15.1 No partnership or agency

Nothing in this Agreement shall be deemed to constitute a partnership between the Parties, nor constitute either Party constituting or becoming in any way the agent of the other Party for any purpose.

15.2 Counterparts

This Agreement may be executed in any number of counterparts. This has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

15.3 Waiver

The rights of each Party under this Agreement:

(a) may be exercised as often as necessary;

(b) are cumulative and not exclusive of rights or remedies provided by law; and

(c) may be waived only in writing and specifically.

Delay in exercising or non-exercise of any such right is not a waiver of that right.

15.4 Amendments

Any amendment of this Agreement shall not be binding on the Parties unless set out in writing, expressed to amend this Agreement and signed by authorised representatives of each of the Parties.

15.5 Severability

If any term of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect:

(a) the legality, validity or enforceability in that jurisdiction of any other term of this Agreement; or

(b) the legality, validity or enforceability in other jurisdictions of that or any other provision of this Agreement.

15.6 Further assurance

Each Party undertakes, at the request and cost and expense of the other Party, to sign all documents and to do all other acts, which may be necessary to give full effect to this Agreement.

15.7 Costs

Each Party shall pay the costs and expenses incurred by it in connection with the entering into of this Agreement.

15.8 Language

(a) Any notice given in connection with this Agreement must be in English.

(b) Any other document provided in connection with this Agreement must be:

(i) in English; or

(ii) unless the Parties otherwise agree, accompanied by a certified English translation, in which case, the English translation shall prevail unless the document is a statutory or other official document.

15.9 Entire Agreement

(a) This Agreement constitutes the entire agreement between the Parties and supersedes and extinguishes all agreements, arrangements, promises, undertakings, proposals, warranties, representations and understandings between them at any time before their respective signature ("**Pre-Contractual Statements**"), whether written or oral, relating to its subject matter. Notwithstanding anything to the contrary the Parties understand and agree that any use of Licensed Software, shall be governed by the EULA set forth in Schedule 2.

(b) Each Party acknowledges that in entering into this Agreement it does not rely on any Pre-Contractual Statement made by or on behalf of the other Party (whether made innocently or negligently) in relation to the subject matter of this Agreement, other than those which are set out expressly in this Agreement.

(c) Each Party agrees that it shall have no claim for innocent or negligent misrepresentation or negligent misstatement based on, and hereby waives all rights and remedies which might otherwise be available to it in relation to, any Pre-Contractual Statement.

(d) Nothing in this Clause 15.9 shall limit or exclude the liability of either Party arising out of any pre-contractual fraudulent misrepresentation or fraudulent concealment.

15.10 Third Party Rights

(a) Except as set out in this Clause 15.10, a person who is not a Party to this Agreement may not enforce any of its provisions under the Contracts (Rights of Third Parties) Act 1999.

(b) The Parties acknowledge and agree that the Services, the Deliverables and the Supplier's associated obligations under this Agreement are performed and provided for the benefit of each member of the G42 Group.

(c) Any Losses incurred by [***] under or in connection with this Agreement shall be deemed to have been suffered by G42 (and shall be recoverable by G42 in accordance with the terms of this Agreement as if they had been suffered by G42).

(d) Where Applicable Law would prevent any Losses incurred by [***] may enforce the benefits conferred on it under this Agreement in order to recover such Losses itself in accordance with the Contracts (Rights of Third Parties) Act 1999.

(e) The consent of any member of the G42 Group other than G42 shall not be necessary for any variation (including any release or compromise in whole or in part of any liability) or termination of this Agreement (in whole or in part).

15.11 Force Majeure Events

(a) If a Force Majeure Event occurs which prevents, hinders or delays a Party (the "**Affected Party**") from performing any of its obligations under this Agreement (including any relevant SOW), the Affected Party shall not be liable to the other Party and shall be released from its obligation to perform the relevant obligations to the

extent that its ability to perform those obligations has been directly affected by the Force Majeure Event, provided that:

(i) the Affected Party notifies the other Party in writing [***] of the occurrence of the Force Majeure Event and the nature and likely duration of its impact upon the other Party;

(ii) the default or delay could not have been prevented by reasonable precautions or could not have been reasonably circumvented by the use of alternative sources, workarounds or other means;

(iii) the Affected Party continues to use [***] to recommence performance to the extent possible without delay; and

(iv) the Affected Party continues to perform all its obligations which have not been affected by the Force Majeure Event.

(b) Upon cessation of the Force Majeure Event, the Affected Party shall promptly notify the other Party of such cessation and resume performance of the affected obligations.

(c) G42 will not be obliged to pay any Fees relating to the affected obligations (including any affected Services) until the Supplier recommences its performance in accordance with this Agreement and the relevant SOW.

16. GOVERNING LAW AND JURISDICTION

16.1 This Agreement, and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims), shall be governed by and construed in accordance with the law of England and Wales.

16.2 Each Party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim arising out of or in connection with this Agreement or its subject matter or formation (including non-contractual disputes or claims).

[signatures at last page]

SCHEDULE 1 - TEMPLATE: SOW

Date _____

This SOW is entered into and forms part of the master services agreement entered into between G42 HOLDING US LLC, a Delaware corporation ("**G42**") and CEREBRAS SYSTEMS, INC., a Delaware corporation (the "**Supplier**") on [INSERT DATE] (the "**Agreement**")**.**

Unless otherwise provided or the context otherwise requires, the capitalised expressions used in this SOW shall have the meanings given to them in the main body of the Agreement.

Supplier Project Representative	
G42 Project Representative	
Purchase Order Number	
sow Effective Date	
Services	
Deliverables	
Specifications	
Performance Standards	
Milestones, Milestone Dates or other timescales for delivery	
G42 Dependencies	
Fees	
Service Credits	
Acceptance Tests	
Acceptance Period	*[***]*

Invoices	Invoices shall be sent to the following email address and must include: the amount payable in US dollars; the full business name and address of the Supplier; the time period to which the invoice relates and the location of the supply (if applicable for tax purposes); and the Supplier's bank and account details for payment [***]
Liability Cap	[***]
Licensed Software	
Named Customer	
Termination Compensation	[***]
Notice Period	[***]
Notified Subcontractors	
Additional Terms	

AS WITNESS the hands of the Parties or their duly authorised representatives on the date first before written.

Signed by:

Name:

For and on behalf of **G42 HOLDING US LLC**

Signed by:

Name:

For and on behalf of **CEREBRAS SYSTEMS, INC.**

SCHEDULE 2 - EULA

WHEREAS the Parties have hereby cause their duly authorized representatives to execute and deliver this Agreement on the date first above written.

SIGNATORIES

/s/ Andrew Feldman

Andrew Feldman

For and on behalf of **CEREBRAS SYSTEMS, INC.**

/s/ Martin Edelman

Martin Edelman

For and on behalf of **G42 Holdings US LLC**

13/09/2023

Portions of this exhibit, indicated by [***], have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The omitted information is (i) not material and (ii) treated by the Registrant as private or confidential.

G42 Holding US LLC, [***]

Cerebras Systems, Inc.
1237 E. Arques Avenue Sunnyvale
California 94085
United States of America

24 April 2024

Dear Andrew

LETTER OF AWARD IN RESPECT OF HPC INFRASTRUCTURE PO

I am pleased to confirm that G42 Holding US LLC (G42 US) intends to enter into, or procure the entering into (by its nominated third party) of, a Purchase Order (PO) with Cerebras Systems, Inc. (Cerebras) under the framework goods agreement (FGA) agreed between G42 US and Cerebras and dated 13 September 2023 (or under an agreement between Cerebras and such third party which is on substantially similar terms to the FGA).

The terms of the PO will be based on the terms of the purchase orders that have previously been entered into between G42 US and Cerebras under the FGA and will specify the scope of Cerebras's supplies, which will include [***] high-performance compute infrastructure at the agreed price of [***] per cluster of [***] (HPC infrastructure) or the provision of services, in either case of a minimum value of three hundred million US dollars (US$300m). The PO will also specify the service levels, technical specifications and installation and support services that Cerebras will be required to meet or supply.

You have told me that:

- Cerebras wishes to begin manufacturing activities in respect of the HPC infrastructure before the PO is entered into; and
- in order to do so, Cerebras would like G42 US to advance to Cerebras a sum of three hundred million US dollars (US$300m) (the **Prepaid Sum).**

I can confirm that:

- G42 US agrees to pay the Prepaid Sum on the terms of this letter; and
- that Cerebras may issue an invoice to G42 US for the Prepaid Sum, which G42 US will pay by bank transfer as soon as reasonably practicable.

Please ensure that the Cerebras invoice:

- states that it is an invoice for the Prepaid Sum that is specified in this letter of award, dated 24 April 2024; and
- does not mention or require the payment by G42 US of any taxes.

By signing the acknowledgement and agreement to the terms of this letter that is set out below, you agree on behalf of Cerebras that:

- during the period beginning on the date that Cerebras receives the Prepaid Sum in its bank account and ending on the day on which Cerebras becomes entitled to receive payment to the Prepaid Sum under the PO (the **Prepaid Period),** Cerebras will hold the Prepaid Sum on trust for G42 US and will only use it to make payments to its third party vendors in order to begin manufacturing the HPC infrastructure;
- a sum equal to the Prepaid Sum will be deemed to have been paid under the PO and, accordingly, will be deducted from the fees payable under the PO;
- during the Prepaid Period, G42 US will not be liable for any costs (or any other commitment that Cerebras may enter into) as a result of Cerebras commencing manufacture of the HPC infrastructure;
- once the PO has been entered into, any liabilities of G42 US for Cerebras's costs (if any) will only be strictly as set out in the PO;
- if the PO is not entered into within [***] or such longer period as may be specified by G42 US:
    - any portion of the Prepaid Sum not paid by Cerebras to its third party vendors will be payable to G42 US on demand; and
    - any of Cerebras's rights (including ownership rights) in respect of the HPC infrastructure [***] to be supplied by such third party vendors will transfer to G42 US automatically;
- this letter and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales; and
- G42 US and Cerebras irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this letter or its subject matter or formation.

Please sign and return a scanned copy of this letter to acknowledge your agreement to its terms.

Yours sincerely,
Martin Edelman
Authorized Signatory

/s/ Martin Edelman

FOR AND ON BEHALF OF G42 HOLDING US LLC

I hereby acknowledge and agree to the terms of this letter
Andrew Feldman
Chief Executive Officer

/s/ Andrew Feldman

FOR AND ON BEHALF OF CEREBRAS SYSTEMS, INC

Portions of this exhibit, indicated by [***], have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The omitted information is (i) not material and (ii) treated by the Registrant as private or confidential.

**Portions of this exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K.
The Registrant undertakes to furnish a copy of all omitted information, schedules, and exhibits to the U.S. Securities and Exchange Commission upon its request.**

CEREBRAS SYSTEMS INC.

SERIES F-1 PREFERRED STOCK PURCHASE AGREEMENT

This Series F-1 Preferred Stock Purchase Agreement (this "***Agreement***") is made as of May 30, 2024 by and among Cerebras Systems Inc., a Delaware corporation (the "***Company***"), and the investors listed on Exhibit A attached to this Agreement (each a "***Purchaser***" and together the "***Purchasers***").

The parties hereby agree as follows:

1. PURCHASE AND SALE OF PREFERRED STOCK.

1.1 Sale and Issuance of Series F-1 Preferred Stock.

1.1.1 The Company shall adopt and file with the Secretary of State of the State of Delaware on or before the Initial Closing (as defined below) the Amended and Restated Certificate of Incorporation in substantially the form of Exhibit B attached to this Agreement (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "***Restated Certificate***").

1.1.2 Subject to the terms and conditions of this Agreement, each Purchaser agrees to purchase at the Initial Closing and the Company agrees to sell and issue to each Purchaser at the Initial Closing that number of shares of Series F-1 Preferred Stock, $0.00001 par value per share, set forth opposite each Purchaser's name on Exhibit A (the "***Shares***"), at a purchase price of $14.66 per share.

1.2 Closing; Delivery.

1.2.1 The initial purchase and sale of the Shares shall take place remotely via the exchange of documents and signatures on the date on which all of the conditions set forth in Sections 4, 5, 6, hereof have been satisfied or waived (other than those conditions which by their terms can only be satisfied on the date of the Initial Closing, but subject to the satisfaction or waiver of such conditions), or at such other time and place as the Company and the Purchasers (who are reasonably acceptable to EPTH) representing a majority of the Shares to be sold mutually agree upon, orally or in writing (which time and place are designated as the "***Initial Closing***").

1.2.2 Promptly following the Initial Closing, the Company shall deliver to each Purchaser a certificate representing the Shares being purchased by such Purchaser at the Initial Closing against payment of the purchase price therefor by check payable to the Company, by wire transfer to a bank account designated by the Company, by cancellation or conversion of indebtedness of the Company to Purchaser or by any combination of such methods.

1.3 Sale of Additional Shares of Preferred Stock.

1.3.1 At any time and from time to time after the Initial Closing (each, an "***Additional Closing***"), the Company may sell, on the same terms and conditions as those contained in this Agreement, up to 27,285,129 shares of Series F-1 Preferred Stock less any shares of Series F-1 Preferred Stock sold in the Initial Closing and any Additional Closings (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or similar recapitalization affecting such shares) (the "***Additional Shares***"), to one or more purchasers reasonably acceptable to EPTH (the "***Additional Purchasers***"), provided that (a) at least 25,920,873 shares of Series F-1 Preferred Stock shall be reserved by the Company until the earlier of (i) the consummation of the Committed Purchaser Additional Closing (as defined below) or (ii) the termination of the Committed Purchaser Obligation (as defined below and as further set forth in Section 6.3 below), (b) each such subsequent sale is consummated prior to the Outside Date (as defined herein), and (c) each Additional Purchaser shall become a party to the Transaction Agreements (as defined below), by executing and delivering a counterpart signature page to each of the Transaction Agreements. Exhibit A to this Agreement shall be updated to reflect the number of Additional Shares purchased at each such Closing and the parties purchasing such Additional Shares. All sales of Shares made at an Additional Closing shall be made on the terms and conditions set forth in this Agreement, the representations and warranties of the Company set forth in Section 2 hereof (and the Disclosure Schedule) shall speak as of the date of this Agreement and the Company shall have no obligation to update the Disclosure Schedule from the date of this Agreement, and each new Purchaser shall make the representations and warranties in Section 5 as of such Closing.

1.3.2 The Purchasers party hereto who are listed on Exhibit A under the section titled "Committed Closings" (the "***Committed Closing Purchasers***") each agree to purchase at an Additional Closing (the "***Committed Purchaser Additional Closing***"), and the Company agrees to sell and issue to the Committed Closing Purchasers at such Committed Purchaser Additional Closing, the Shares set forth opposite their respective names on Exhibit A under the section titled "Committed Closings" (such number of shares, the "***Committed Closing Shares***" and such obligation, the "***Committed Purchaser Obligation***"). All sales of Shares made at the Committed Purchaser Additional Closing shall be made on the terms and conditions set forth in this Agreement, the representations and warranties of the Company set forth in Section 2 hereof (and the Disclosure Schedule) shall speak as of the date of this Agreement and the Company shall have no obligation to update the Disclosure Schedule from the date of this Agreement, and each Committed Closing Purchaser shall make the representations and warranties in Section 5 as of such Closing. In the event there is more than one closing, the term "***Closing***" shall apply to each such closing unless otherwise specified.

1.3.3 At or prior to the Committed Purchaser Additional Closing, the Company shall execute and deliver to the Committed Closing Purchasers, and each Committed

Closing Purchaser shall execute and deliver to the Company, a counterpart signature page to each of the Investors' Rights Agreement, the Right of First Refusal and Co-Sale Agreement and the Voting Agreement.

1.3.4 Upon the execution of this Agreement by the Company and each of the Committed Closing Purchasers, this Agreement shall constitute a valid and binding obligation of such parties, enforceable by each against the others in accordance with its terms. Each of the Committed Closing Purchasers and the Company hereby further confirm, acknowledge and agree that failure of a Committed Closing Purchaser to purchase or of the Company to deliver the applicable Committed Closing Shares pursuant to the terms and conditions of this Agreement shall constitute a breach of this Agreement and that, upon such breach, the non-breaching party shall be entitled to seek any and all remedies available at law, including specific performance, or otherwise to enforce the terms of this Agreement and/or seek recovery of damages against the breaching party.

1.4 Entitlement to Purchase Additional Shares.

1.4.1 If, at any time on or before December 31, 2025, G42 Holding US LLC, a Delaware limited liability company ("***G42***"), or one or more of its subsidiaries or Affiliates, purchases by execution of a binding purchase order one or more HPC Clusters (or causes a third party to purchase one or more HPC Clusters) at the same price [***] set forth in Section 3(a) and with the same prepayment terms and conditions as set forth in Section 3(b) of the letter agreement by and between the Company and EPTH dated as of the date hereof (the "***Side Letter***"), respectively, (excluding (a) the [***] Condor, as defined in the Side Letter and (b) HPC Clusters already purchased by G42 under Purchase Order #2023-0001 dated September 13, 2023 for Condor Galaxy 1, Purchase Order #2023-0002 dated October 7, 2023 for Condor Galaxy 2, and Purchase Order #2024-0004 as restated on January 24, 2024 for Condor Galaxy 3) for a purchase price per order greater than $500 million and less than $5 billion in the aggregate (the "***Purchase Option Threshold***"), then the Company shall grant EPTH an option (a "***Purchase Option***"), exercisable in EPTH's sole discretion, to purchase the number of shares of Series F-1 Preferred Stock or Alternative Securities or any equity securities issued pursuant to the Alternative Economic Position, as applicable, at a price per share that is seventeen and a half percent (17.5%) below the then-current Fair Market Value for such shares up to a total aggregate purchase price equal to ten percent (10%) of the value of the relevant purchaser order(s) pursuant to which such HPC Clusters were purchased. For the avoidance of doubt, (i) a purchase order of less than $500 million will not entitle EPTH to the rights contained in this Section 1.4, and (ii) purchase orders from a third party will only entitle EPTH to the Purchase Option if the third party does not have any pre-existing relationship with the Company or is not otherwise a potential customer of the Company that the Company has engaged with.

1.4.2 Within [***] of the Purchase Option Threshold being met, the Company shall provide written notice (the "***Purchase Option Notice***") to EPTH detailing (a) the number of shares of Series F-1 Preferred Stock or Alternative Securities or any equity securities issued pursuant to the Alternative Economic Position, as applicable, which EPTH is entitled to purchase pursuant to Section 1.4.1, (b) the total aggregate purchase price for such shares, and (c) the calculations pursuant to which clauses (a) and (b) above were derived, including the then-current Fair Market Value of such shares. By written notice to the Company within [***] after the

Purchase Option Notice is delivered, EPTH may elect to purchase, at the price specified in the Purchase Option Notice, up to the total number of shares of Series F-1 Preferred Stock or Alternative Securities or any equity securities issued pursuant to the Alternative Economic Position, as applicable, as so indicated in the Purchase Option Notice (the "***Purchase Option Election***"). The timeline for the closing of any purchase of shares pursuant to the exercise of a Purchase Option shall be agreed as between the Company and EPTH but in all cases within 9 months of the date on which the Purchase Option Election was delivered by EPTH to the Company, subject to the receipt of CFIUS Approval to the extent not already received or otherwise deemed applicable for such additional purchase of shares.

1.5 Defined Terms Used in this Agreement. In addition to the terms defined above, the following terms used in this Agreement shall be construed to have the meanings set forth or referenced below.

"***Action***" means any action, suit, proceeding, arbitration, mediation, complaint, claim, charge or, to the Company's knowledge, investigation, in each case, before any court, arbitrator, mediator or governmental body.

"***Affiliate***" means, with respect to any specified Person, such Person's principal or any other Person who or which, directly or indirectly, controls, is controlled by, or is under common control with such Person or such Person's principal, including, without limitation, any general partner, managing member or partner, officer or director of such Person or such Person's principal or any venture capital fund now or hereafter existing that is controlled by one or more general partners or managing members of, or shares the same management company with, such Person or such Person's principal (but, for the avoidance of doubt, excluding any portfolio companies under the management of such Persons, principals or venture capital funds). For purposes of this definition, the terms "***controlling***," "***controlled by***," or "***under common control with***" shall mean the possession, directly or indirectly, of (a) the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract, or otherwise, or (b) the power to elect or appoint at least 50% of the directors, managers, general partners, or persons exercising similar authority with respect to such Person.

"***Alternative Economic Position***" has the meaning given to such term in Section 6.1.5.

"***Alternative Securities***" has the meaning given to such term in Section 6.1.4.

"***Board***" means the Board of Directors of the Company.

"***Burdensome Condition***" has the meaning given to such term in Section 6.1.1.

"***Business Day***" means a weekday on which banks are open for general banking business in San Francisco, California.

"***CFIUS***" means the U.S. government's Committee on Foreign Investment in the United States.

"***CFIUS Approval***" means: (a) following submission of a CFIUS Notice to CFIUS pursuant to 31 C.F.R. §§ 800.501(a) and 800.502 regarding the transactions contemplated by this Agreement, the parties shall have received written notice from CFIUS that it has completed its assessment, review or investigation (as applicable) of the transactions contemplated by this Agreement under Section 721, and determined that there are no unresolved national security concerns with respect to such transactions, and that action under Section 721 has been concluded with respect to the transactions contemplated by this Agreement; (b) written confirmation from CFIUS that the transactions contemplated by this Agreement are not a "covered transaction," "covered investment," or "covered real estate transaction" as those terms are defined in the Defense Production Act's implementing regulations at 31 C.F.R. Parts 800-802, and therefore are not subject to review by CFIUS; or (c) CFIUS shall have sent a report to the President of the United States requesting the President's decision regarding the transactions contemplated by this Agreement and either (i) the period under Section 721 during which the President may announce his decision to take action to suspend or prohibit the transactions contemplated by this Agreement shall have expired without any such action being threatened, announced or taken or (ii) the President shall have announced a decision not to take any action to suspend or prohibit the transactions contemplated by this Agreement.

"***CFIUS Turndown***" means CFIUS has informed the parties in writing that it has unresolved national security concerns with respect to the transactions contemplated by this Agreement and that it intends to refer the matter to the President of the United States unless the parties abandon the transactions contemplated by this Agreement.

"***Code***" means the United States Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated by the Internal Revenue Service thereunder.

"***Company Intellectual Property***" means Intellectual Property that is necessary to the conduct of the Company's business as now conducted and as presently proposed to be conducted.

"***Common Stock***" means the common stock of the Company, $0.00001 par value per share.

"***Conversion Shares***" means the Common Stock issuable upon conversion of the Shares.

"***Disclosure Schedule***" means the Disclosure Schedule attached as Exhibit C to this Agreement.

"***Environmental Laws***" means any law, regulation, or other applicable requirement relating to (a) releases or threatened release of Hazardous Substance; (b) pollution or protection of employee health or safety, public health or the environment; or (c) the manufacture, handling, transport, use, treatment, storage, or disposal of Hazardous Substances.

"***EPTH***" means Expansion Project Technologies Holding 8 SPV RSC Ltd. and its Affiliates.

"***ERISA***" means the United States Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder.

"***Fair Market Value***" means the price per share equal to (a) the then most recent arms-length sale of the Company's preferred stock (excluding the sale of Series F-1 Preferred Stock) primarily to non-current investors, which for clarity is, as of the date of this Agreement, $27.7448, or (b), in the case where the Company becomes publicly listed, the average market closing price per share over the previous 30-day period.

"***Fall-Back Position***" has the meaning given to such term in Section 6.1.4.

"***Hazardous Substance***" has the meaning given to such term in Section 2.22.

"***HPC Cluster***" means a high-performance computing cluster.

"***Intellectual Property***" means all patents, patent applications, trademarks, trademark applications, service marks, trade names, copyrights, trade secrets, licenses, domain names, mask works, information and proprietary rights and processes.

"***International Trade Laws***" means any laws relating to (i) Sanctions; (ii) export control laws and any regulation, order, or directive promulgated, issued or enforced pursuant to such laws; and (iii) laws pertaining to imports and customs, and any regulation, order, or directive promulgated, issued, or enforced pursuant to such laws.

"***Investors' Rights Agreement***" means the Amended and Restated Investors' Rights Agreement among the Company, the Purchasers and certain other stockholders of the Company, dated as of the date of the Initial Closing in the form of Exhibit D attached to this Agreement.

"***Key Employees***" means any officer of the Company.

"***knowledge***," including the phrase "***to the Company's knowledge***," means the actual knowledge of any of the Company's officers or Key Employees, after reasonable investigation.

"***Material Adverse Effect***" means a material adverse effect on the business, assets (including intangible assets), liabilities, financial condition or results of operations of the Company.

"***Material Agreement***" has the meaning given to that term in Section 2.11.1.

"***OFAC***" means the U.S. Department of the Treasury's Office of Foreign Assets Control or any successor agency thereof.

"***Outside Date***" has the meaning given to that term in Section 6.3.

"***Person***" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

"***Preferred Stock***" means the preferred stock of the Company, $0.00001 par value per share.

"***Purchase Option Notice***" has the meaning given to such term in Section 1.4.2.

"***Purchase Option Threshold***" has the meaning given to such term in Section 1.4.1.

"***Purchaser***" means each of the Purchasers who is a party to this Agreement.

"***Right of First Refusal and Co-Sale Agreement***" means the Amended and Restated Right of First Refusal and Co-Sale Agreement among the Company, the Purchasers, and certain other stockholders of the Company, dated as of the date of the Initial Closing in the form of Exhibit E attached to this Agreement.

"***Sanctions***" means economic or financial sanctions, requirements, or trade embargoes imposed, administered or enforced from time to time by relevant governmental agencies, including OFAC.

"***Sanctioned Jurisdiction***" means any jurisdiction which is a target of any territory-wide Sanctions by relevant governmental agencies, including OFAC.

"***Sanctions Target***" means any Person: (a) that is the subject or target of any Sanctions; (b) named in any Sanctions-related list maintained by any relevant governmental agency; (c) located, organized, or resident in a Sanctioned Jurisdiction; (d) 50% or more owned or controlled by any such Person or Persons described in the foregoing clauses (a)-(c).

"***Section 721***" means Section 721 of the U.S. Defense Production Act of 1950, as amended, and regulations that implement such provision.

"***Series F-1 Preferred Stock***" means the preferred stock to be offered and sold pursuant to this Agreement; provided however that in the event the Company consummates its initial public offering, references to Series F-1 Preferred Stock shall mean the Company's common stock into which the Series F-1 Preferred Stock converts pursuant to the Amended and Restated Certificate of Incorporation.

"***Securities Act***" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated by the Securities and Exchange Commission thereunder.

"***Stock Plan***" has the meaning given to that term in Section 2.2.3.

"***Transaction Agreements***" means this Agreement, the Investors' Rights Agreement, the Right of First Refusal and Co-Sale Agreement and the Voting Agreement.

"***Voting Agreement***" means the Amended and Restated Voting Agreement among the Company, the Purchasers and certain other stockholders of the Company, dated as of the date of the Initial Closing in the form of Exhibit F attached to this Agreement.

2. REPRESENTATIONS AND WARRANTIES OF THE COMPANY. The Company hereby represents and warrants to each Purchaser that, except as set forth on the Disclosure Schedule, which exceptions shall be deemed to be part of the representations and warranties made hereunder, the following representations are true and complete as of the date of this Agreement and shall be true and complete, in all material respects, at the Committed Purchaser Additional Closing, except as otherwise indicated. The Disclosure Schedule shall be arranged in sections corresponding to the numbered and lettered sections contained in this Section 2, and the disclosures in any section of the Disclosure Schedule shall qualify other sections in this Section 2 to the extent it is reasonably apparent from a reading of the disclosure that such disclosure is applicable to such other sections.

2.1 Organization, Good Standing, Corporate Power and Qualification. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has all corporate power and corporate authority required (a) to carry on its business as presently conducted and as presently proposed to be conducted and (b) to execute, deliver and perform its obligations under the Transaction Agreements. The Company is duly qualified to transact business as a foreign corporation and is in good standing under the laws of each jurisdiction in which the failure to so qualify would have a Material Adverse Effect.

2.2 Capitalization. The authorized equity capital of the Company consists, as of the date of this Agreement (unless otherwise noted), but assuming that the Restated Certificate has been filed with and accepted by the Secretary of State of the State of Delaware and is effective, of the following.

2.2.1 203,087,000 shares of Common Stock, (a) [***] shares of which are issued and outstanding immediately prior to the date of this Agreement, (b) 27,285,128 shares of which are issuable on conversion of shares of the Series F-1 Preferred Stock issuable hereunder, (c) 9,168,419 shares of which are issuable on conversion of shares of the Series F Preferred Stock issuable hereunder, (d) 14,916,649 shares of which are issuable on conversion of shares of the Series E Preferred Stock, (e) 4,943,849 shares of which are issuable on conversion of shares of the Series D Preferred Stock, (f) 7,264,680 shares of which are issuable on conversion of shares of the Series C Preferred Stock, (g) 9,076,079 shares of which are issuable on conversion of shares of the Series B Preferred Stock and (h) 31,731,394 shares of which are issuable on conversion of shares of the Series A Preferred Stock. All of the outstanding shares of Common Stock are duly authorized, validly issued, fully paid and nonassessable and were issued in material compliance with all applicable federal and state securities laws.

2.2.2 104,386,199 shares of Preferred Stock, (a) 27,285,129 of which are designated as Series F-1 Preferred Stock, none of which are issued and outstanding immediately prior to the date of this Agreement, (b) 9,168,419 of which are designated as Series F Preferred Stock, 9,168,419 of which are issued and outstanding immediately prior to the date of this Agreement, (c) 14,916,649 of which are designated as Series E Preferred Stock,[14,848,436 of which are issued and outstanding immediately prior to the date of this Agreement, (d) 4,943,849 of which are designated as Series D Preferred Stock, all of which are issued and outstanding immediately prior to the date of this Agreement, (e) 7,264,680 of which are designated as Series C Preferred Stock, all of which are issued and outstanding immediately prior to the date of this Agreement, (f) 9,076,079 of which are designated as Series B Preferred Stock, all of which are

issued and outstanding immediately prior to the date of this Agreement and (g) 31,731,394 of which are designated as Series A Preferred Stock, all of which are issued and outstanding immediately prior to the date of this Agreement. None of the rights, preferences and powers of, or the restrictions on, the Preferred Stock set forth in the Restated Certificate are prohibited by the General Corporation Law of the State of Delaware. Upon the date of this Agreement, each outstanding share of Preferred Stock will initially be convertible into one (1) share of Common Stock.

2.2.3 59,711,838 shares of Common Stock are subject to issuance to officers, directors, employees and consultants of the Company pursuant to the Company's 2016 Equity Incentive Plan which has been duly adopted by the Board and approved by the Company stockholders (the "***Stock Plan***"). Of such shares of Common Stock reserved under the Stock Plan, 38,383,520 options to purchase shares have been granted and are currently outstanding, 1,516,408 restricted stock units have been granted and are currently outstanding, 19,199,210 shares have been issued pursuant to restricted stock purchase agreements or the exercise of options, and 612,700 shares of Common Stock remain available for issuance to officers, directors, employees and consultants pursuant to the Stock Plan.

2.2.4 There are no outstanding preemptive rights, options, warrants, conversion privileges or rights (including but not limited to rights of first refusal or similar rights), orally or in writing, to purchase or acquire any securities from the Company including, without limitation, any shares of Common Stock, or Preferred Stock, or any securities convertible into or exchangeable or exercisable for shares of Common Stock or Preferred Stock, except for (a) the conversion privileges of the Preferred Stock pursuant to the terms of the Restated Certificate, (b) the rights provided in Section 4 of the Investors' Rights Agreement, and (c) the securities and rights described in Section 2.2.3 of this Agreement. All outstanding shares of the Company's Common Stock and all shares of the Company's Common Stock underlying outstanding options are subject to (i) a right of first refusal in favor of the Company upon any proposed transfer (other than transfers for estate planning purposes); and (ii) a lock-up or market standoff agreement of not less than one hundred eighty (180) days following each public offering of securities of the Company pursuant to a registration statement filed with the Securities and Exchange Commission under the Securities Act commencing with the initial public offering of the Company's securities. No Person (A) has been granted full ratchet, formula adjustment, or any other type of, protection against dilution of their ownership interest in the Company, (B) has been granted rights to require the Company to repurchase any of the Company's securities, (C) has been granted rights to receive the same or better rights in connection with any ownership interest in the Company as any other person or entity may receive either pursuant to this Agreement or at any time hereafter or (D) have been granted rights of redemption by the Company. No full ratchet, formula adjustment, or any other type of, protection against dilution of any ownership interest in the Company has been triggered, nor will be triggered by the transactions provided for in this Agreement.

2.2.5 To the Company's knowledge, all elections and notices under Section 83(b) of the Code have been or will be timely filed by all individuals who have acquired unvested shares of the Company's Common Stock.

2.2.6 None of the Company's stock purchase agreements or stock option documents contains a provision for acceleration of vesting (or lapse of a repurchase right) or other

changes in the vesting provisions or other terms of such agreement or understanding upon the occurrence of any event or combination of events. The Company has never adjusted or amended the exercise price of any stock options previously awarded, whether through amendment, cancellation, replacement grant, re-pricing, or any other means. Except as may be set forth in the Restated Certificate, the Company has no obligation (contingent or otherwise) to purchase or redeem any of its capital stock.

2.2.7 No stock options, stock appreciation rights or other equity-based awards issued or granted by the Company are subject to the requirements of Section 409A of the Code. Each "nonqualified deferred compensation plan" (as such term is defined under Section 409A(d)(1) of the Code and the guidance thereunder) under which the Company makes, is obligated to make or promises to make, payments (each, a "***409A Plan***") complies in all material respects, in both form and operation, with the requirements of Section 409A of the Code and the guidance thereunder. No payment to be made under any 409A Plan is, or to the knowledge of the Company, will be, subject to the penalties of Section 409A(a)(1) of the Code.

2.3 Subsidiaries. The Company does not currently own or control, directly or indirectly, any interest in any other corporation, partnership, trust, joint venture, limited liability company, association, or other business entity. The Company is not a participant in any joint venture, partnership or similar arrangement.

2.4 Authorization. All corporate action has been taken, or will be taken prior to the Closing, on the part of the Board and stockholders that is necessary for (a) adoption of the Restated Certificate, (b) the authorization, execution and delivery of the Transaction Agreements by the Company, (c) the performance by the Company of the obligations to be performed by the Company as of the date hereof under the Transaction Agreements and (d) the issuance of the Conversion Shares. All action on the part of the officers of the Company necessary for the execution and delivery of the Transaction Agreements, and the performance of all obligations of the Company under the Transaction Agreements to be performed as of the Closing, has been taken or will be taken prior to the Closing. The Transaction Agreements, when executed and delivered by the Company, shall constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their respective terms except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other laws of general application relating to or affecting the enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies, or (iii) to the extent the indemnification provisions contained in the Investors' Rights Agreement may be limited by applicable federal or state securities laws.

2.5 Valid Issuance of Shares. The Shares, when issued, sold and delivered in accordance with the terms and for the consideration set forth in this Agreement, will be duly authorized, validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under the Transaction Agreements, applicable state and federal securities laws and liens or encumbrances created by or imposed by a Purchaser. Based in part on the accuracy of the representations of the Purchasers in Section 3 of this Agreement and subject to the filings described in Section 2.6 below, the offer, sale and issuance of the Shares to be issued pursuant to and in conformity with the terms of this Agreement and the issuance of the Conversion Shares, if any, to be issued upon conversion thereof for no additional consideration and pursuant

to the Restated Certificate, will be issued in compliance with all applicable federal and state securities laws. The Conversion Shares have been duly reserved for issuance, and upon issuance in accordance with the terms of the Restated Certificate, will be duly authorized, validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under the Transaction Agreements, applicable federal and state securities laws and liens or encumbrances created by or imposed by a Purchaser. Based in part upon the representations of the Purchasers in Section 3 of this Agreement, and subject to Section 2.6 below, the Conversion Shares will be issued in compliance with all applicable federal and state securities laws.

2.6 Governmental Consents and Filings. Based in part on the accuracy of the representations made by the Purchasers in Section 3 of this Agreement, no consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state or local governmental authority is required on the part of the Company in connection with the Company's valid execution, delivery and performance of the Transaction Agreements except for (a) the filing of the Restated Certificate, which will have been filed as of the Initial Closing, (b) filings pursuant to Regulation D of the Securities Act, and applicable state securities laws, which have been made or will be made in a timely manner, and (c) any filings required to be made pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the regulations promulgated thereunder (the "***HSR Act***"), and any other law that is designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening of competition.

2.7 Litigation. There is no Action pending, or to the Company's knowledge, currently threatened (a) (i) against the Company or (ii) against any consultant, officer, director or Key Employee of the Company arising out of his or her consulting, employment or board relationship with the Company; (b) that questions the validity of the Transaction Agreements or the right of the Company to enter into them, or to consummate the transactions contemplated by the Transaction Agreements; or (c) that could otherwise materially impact the Company. The foregoing includes, without limitation, Actions pending or overtly threatened involving the prior employment or consultancy of any of the Company's consultants, employees, officers, directors, or Key Employees, their services provided in connection with the Company's business. Neither the Company nor, to the Company's knowledge, any of its consultants, officers, directors or Key Employees is a party or is named as subject to the provisions of any order, writ, injunction, judgment or decree of any court or government body (in the case of consultants, officers, directors or Key Employees, such as would affect the Company). There is no Action by the Company pending or that the Company intends to initiate.

2.8 Intellectual Property. The Company owns or possesses sufficient legal rights to all Intellectual Property used or held for use by the Company in the operation of the its business, including all Company Intellectual Property without any violation or infringement (or in the case of third-party patents, patent applications, trademarks, trademark applications, service marks, or service mark applications, without any violation or infringement known to the Company) of the rights of others, including prior employees or consultants, or academic institutions with which any of them may be affiliated now or may have been affiliated in the past. No product or service marketed or sold (or proposed to be marketed or sold) by the Company violates or will violate any license or infringes or will infringe any rights to Intellectual Property of any other party; except that with respect to third-party patents, patent applications, trademarks, trademark

applications, service marks, or service mark applications the foregoing representation is made to the Company's knowledge only. Other than with respect to commercially available software products under standard end-user object code license agreements, there is no outstanding option, license, agreement, claim, encumbrance or shared ownership interest of any kind relating to the Company Intellectual Property, nor is the Company bound by or a party to any options, licenses or agreements of any kind with respect to the Intellectual Property of any other Person. The Company has not received any written communications alleging that the Company has violated or, by conducting its business, would violate any of the Intellectual Property of any other Person. The Company has obtained and possesses valid licenses to use all of the software programs present on the computers and other software-enabled electronic devices that it owns or leases or that it has otherwise provided to its employees for their use in connection with the Company's business. To the Company's knowledge, it will not be necessary to use any inventions of any of its employees or consultants (or Persons it currently intends to hire), including prior employees or consultants, made prior to their employment by or consulting relationship with the Company, or academic institutions with which any of them may be affiliated now or may have been affiliated in the past. Each current and former employee and consultant has fully and validly assigned and transferred to the Company all Intellectual Property he or she owns that are related to the Company's business as now conducted and as presently proposed to be conducted and all rights to Intellectual Property that such employee or consultant solely or jointly conceived, reduced to practice, developed or made during the period of his, her or its employment or consulting relationship with the Company that (a) relate, at the time of conception, reduction to practice, development, or making of such Intellectual Property right, to the Company's business as then conducted or as then proposed to be conducted, (b) were developed on any amount of the Company's time or with the use of any of the Company's equipment, supplies, facilities or information or (c) resulted from the performance of services for the Company. Section 2.8 of the Disclosure Schedule lists all Company Intellectual Property that is registered with a governmental entity. The Company has not embedded any open source, copyleft or community source code in any of its products generally available or in development, including but not limited to any libraries or code licensed under any General Public License, Lesser General Public License or similar license arrangement in a manner that would require (or purport to require) the distribution of the source code of such software or prohibit (or purport to prohibit) the Company from charging for the distribution or use of the software or otherwise limit such software's use for commercial purposes. No government funding, facilities of a university, college, other educational institution or research center, or funding from third parties was used in the development of any Company' Intellectual Property. No Person who was involved in, or who contributed to, the creation or development of any Company's Intellectual Property, has performed services for the government, university, college, or other educational institution or research center in a manner that would affect Company's rights in the Company's Intellectual Property.

2.9 Confidential Information and Invention Assignment Agreements. Each current and former employee, consultant and officer of the Company has executed an agreement with the Company regarding confidentiality and proprietary information substantially in the form or forms delivered to the counsel for the Purchasers. No current or former employee or consultant has excluded works or inventions from his or her assignment of inventions pursuant to such agreement. To the Company's knowledge, no such employees or consultants is in violation thereof.

2.10 Compliance with Other Instruments. The Company is not in violation or default (a) of any provisions of the Restated Certificate or Bylaws, (b) of any judgment, order, writ or decree of any court or governmental entity, (c) under any agreement, instrument, contract, lease, note, indenture, mortgage or purchase order to which it is a party or by which it is bound that is required to be listed on the Disclosure Schedule, or, (d) to its knowledge, of any provision of federal or state statute, rule or regulation applicable to the Company. The execution, delivery and performance of the Transaction Agreements and the consummation of the transactions contemplated by the Transaction Agreements will not result in any such violation or default, or constitute, with or without the passage of time and giving of notice, either (i) a default under any such judgment, order, writ, decree, agreement, instrument, contract, lease, note, indenture, mortgage or purchase order or (ii) an event which results in the creation of any lien, charge or encumbrance upon any assets of the Company or the suspension, revocation, forfeiture, or nonrenewal of any material permit or license applicable to the Company. The execution, delivery and performance of the Transaction Agreements and the consummation of the transactions contemplated by the Transaction Agreements will not result in any acceleration of benefits or obligations, with or without the passage of time and giving of notice, under any such judgment, order, writ, decree, agreement, instrument, contract, lease, note, indenture, mortgage or purchase order.

2.11 Agreements; Actions.

2.11.1 Except for the Transaction Agreements, there are no agreements, understandings, instruments, contracts or proposed transactions to which the Company is a party or by which it is bound that involve (a) obligations (contingent or otherwise) of, or payments to, the Company in excess of $[***], (b) the license of any Intellectual Property to or from the Company other than licenses with respect to commercially available software products under standard end-user object code license agreements or standard customer terms of service and privacy policies for Internet sites, (c) the grant of rights to manufacture, produce, assemble, license, market, or sell its products to any other Person, or that limit the Company's exclusive right to develop, manufacture, assemble, distribute, market or sell its products, or (d) indemnification by the Company with respect to infringements of proprietary rights other than standard customer or channel agreements (each, a "***Material Agreement***"). The Company is not in material breach of or default under any Material Agreement and, to the Company's knowledge, there is no current claim or threat that the Company is or has been in material breach of or default under any Material Agreement. Each Material Agreement is in full force and effect and is enforceable by the Company in accordance with its respective terms, except as may be limited by (i) applicable bankruptcy, insolvency, reorganization or others laws of general application relating to or affecting the enforcement of creditors' rights generally, or (ii) the effect of rules of law governing the availability of equitable remedies. To the Company's knowledge, no other party to a Material Agreement is in material default thereunder or in actual or anticipated material breach thereof.

2.11.2 The Company has not (a) declared or paid any dividends, or authorized or made any distribution upon or with respect to any class or series of its capital stock, (b) incurred any indebtedness for money borrowed or incurred any other liabilities individually in excess of $[***] or in excess of $[***] in the aggregate (other than indebtedness or liabilities that have already been fully satisfied), (c) made any loans or advances to any Person, other than ordinary advances for travel expenses, or (d) sold, exchanged or otherwise disposed of any of its

assets or rights, other than the sale of its inventory in the ordinary course of business. For the purposes of Section 2.11.1 and this Section 2.11.2, all indebtedness, liabilities, agreements, understandings, instruments, contracts and proposed transactions involving the same Person (including Persons the Company has reason to believe are affiliated with each other) shall be aggregated for the purpose of meeting the individual minimum dollar amounts of such Section.

2.11.3 The Company is not a guarantor or indemnitor of any indebtedness of any other Person.

2.12 Certain Transactions.

2.12.1 Other than (a) standard employee benefits generally made available to all employees, (b) standard director and officer indemnification agreements approved by the Board, and (c) the purchase of shares of the Company's capital stock, the issuance of options to purchase shares of the Company's Common Stock and the issuance of restricted stock units, in each instance, approved in the written minutes of the Board there is no agreement, understanding or proposed transaction between the Company and any of its officers, directors, consultants, Key Employees, members of the immediate families of the foregoing, or any Affiliate of any of the foregoing.

2.12.2 The Company is not indebted, directly or indirectly, to any of its directors, officers or employees or to their respective spouses or children or to any Affiliate of any of the foregoing, other than in connection with expenses or advances of expenses incurred in the ordinary course of business or employee relocation expenses and for other customary employee benefits made generally available to all employees. None of the Company's officers or employees, or any members of their immediate families, or any Affiliate of the foregoing are, directly or indirectly, indebted to the Company or, to the Company's knowledge, have any (a) material commercial, industrial, banking, consulting, legal, accounting, charitable or familial relationship with any of the Company's customers, suppliers, service providers, joint venture partners, licensees and competitors or (b) direct or indirect ownership interest in any Person with which the Company is affiliated or with which the Company has a business relationship, or any Person that competes with the Company except that officers or employees or stockholders of the Company may own stock in (but not exceeding two percent (2%) of the outstanding capital stock of) publicly traded companies that may compete with the Company.

2.13 Rights of Registration and Voting Rights. Except as provided in the Investors' Rights Agreement, the Company is not under any obligation to register under the Securities Act any of its securities (whether currently outstanding or to be issued in the future). To the Company's knowledge, except as contemplated in the Voting Agreement, no stockholder of the Company has entered into any agreement with respect to the voting of capital shares of the Company.

2.14 Absence of Liens. The property and assets that the Company owns are owned free and clear of all mortgages, deeds of trust, liens, loans and encumbrances, except for statutory liens for the payment of current taxes that are not yet delinquent and encumbrances and liens that arise in the ordinary course of business and do not materially impair the Company's ownership or use of such property or assets. With respect to the property and assets it leases, the

Company is in compliance with such leases and, to the Company's knowledge, holds a valid leasehold interest free of any liens, claims or encumbrances other than those of the lessors of such property or assets.

2.15 Financial Statements. The Company has delivered to each Purchaser unaudited financial statements (including balance sheet, income statement and statement of cash flows (collectively, the "***Financial Statements***") for the nine-month period ended September 30, 2023 (the "***Balance Sheet Date***"). The Financial Statements fairly present in all material respects the financial condition and operating results of the Company as of the dates, and for the periods, indicated therein, subject to normal year-end adjustments. Except as set forth in the Financial Statements, the Company has no material liabilities or obligations, contingent or otherwise, other than (i) liabilities incurred in the ordinary course of business; (ii) obligations under contracts and commitments incurred in the ordinary course of business; and (iii) liabilities and obligations of a type or nature not required under GAAP to be reflected in the Financial Statements, which, in all such cases, individually and in the aggregate would not have a Material Adverse Effect. The Company maintains and will continue to maintain a standard system of accounting established and administered in accordance with GAAP.

2.16 Changes. Since the Balance Sheet Date there has not been:

(a) any material damage, destruction or loss, whether or not covered by insurance;

(b) any waiver or compromise by the Company of a valuable right or of a material debt owed to it;

(c) any satisfaction or discharge of any lien, claim, or encumbrance or payment of any material obligation by the Company;

(d) any entry into, or change or amendment to, a material contract, agreement, or arrangement by which the Company or any of its assets is bound or subject;

(e) any material change in any compensation arrangement or agreement with any employee, officer, director or stockholder;

(f) any resignation or termination of employment of any officer or Key Employee of the Company;

(g) any mortgage, pledge, transfer of a security interest in, or lien, created by the Company, with respect to any of its material properties or assets, except liens for taxes not yet due or payable and liens that arise in the ordinary course of business and do not materially impair the Company's ownership or use of such property or assets;

(h) any loans or guarantees made by the Company to or for the benefit of its employees, officers or directors, or any members of their immediate families, other than travel advances and other advances made in the ordinary and customary course of its business;

(i) any dividend, declaration, setting aside or payment or other distribution in respect of any of the Company's capital stock, or any direct or indirect redemption, purchase, or other acquisition of any of such stock by the Company;

(j) any sale, assignment, transfer, or exclusive license of any material Company Intellectual Property;

(k) receipt of notice that there has been a loss of, or material order cancellation by, any major customer of the Company;

(l) to the Company's knowledge, any other event or condition of any character, other than events affecting the economy or the Company's industry generally, that would reasonably be expected to result in a Material Adverse Effect;

(m) any change in the assets, liabilities, financial condition or operating results of the Company from that reflected in the Financial Statements, except changes in the ordinary course of business that have not caused, in the aggregate, a Material Adverse Effect; or

(n) any arrangement or commitment by the Company to do any of the things described in this Section 2.16.

2.17 Employee Matters.

2.17.1 As of the date hereof, the Company employs 209 full-time employees and 1 part-time employee and engages 5 consultants or independent contractors. To the Company's knowledge, none of its employees, consultants, or independent contractors is obligated under any contract (including licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would materially interfere with such Person's ability to promote the interest of the Company or that would conflict with the Company's business. Neither the execution or delivery of the Transaction Agreements, nor the carrying on of the Company's business by the employees, consultants, or independent contractors of the Company, nor the conduct of the Company's business as now conducted and as presently proposed to be conducted, will, to the Company's knowledge, conflict with or result in a breach of the terms, conditions, or provisions of, or constitute a default under, any contract, covenant or instrument under which any such employee, consultant, or independent contractor is now obligated.

2.17.2 To the Company's knowledge, no Key Employee intends to terminate employment with the Company or is otherwise likely to become unavailable to continue as a Key Employee, nor does the Company have a present intention to terminate the employment of any of the foregoing. Each officer and Key Employee of the Company is currently devoting all of his or her business time to the conduct of the Company's business. The Company is not aware that any of its officers and Key Employees is planning to work less than full-time for the Company in the future. The employment of each employee of the Company is terminable at the will of the Company. Except as required by law, upon termination of the employment of any such employees, no severance or other payments will become due. The Company has no policy, practice, plan, or

program of paying severance pay or any form of severance compensation in connection with the termination of employment services.

2.17.3 The Company has not made any representations regarding equity incentives or compensation to any officer, employees, director or consultant that are inconsistent with the share amounts and terms set forth in the minutes of meetings of the Board, the representations set forth herein, or the Disclosure Schedule.

2.17.4 Section 2.17.4 of the Disclosure Schedule sets forth each employee benefit plan maintained, established or sponsored by the Company, or which the Company participates in or contributes to, which is subject to ERISA. The Company has made all required contributions and has no liability to any such employee benefit plan, other than liability for health plan continuation coverage described in Part 6 of Title I(B) of ERISA, and has complied in all material respects with all applicable laws for any such employee benefit plan.

2.17.5 The Company is not bound by or subject to (and none of its assets or properties is bound by or subject to) any written or oral, express or implied, contract, commitment or arrangement with any labor union, and no labor union has requested or, to the knowledge of the Company, has sought to represent any of the employees, representatives or agents of the Company. There is no strike or other labor dispute involving the Company pending, or to the Company's knowledge, threatened, nor is the Company aware of any labor organization activity involving its employees.

2.18 Tax Returns and Payments. There are no federal, state, county, local or foreign taxes due and payable by the Company which have not been timely paid. There are no accrued and unpaid federal, state, country, local or foreign taxes of the Company which are due, whether or not assessed or disputed (including with respect to the repayment of any employee retention credits under the Coronavirus Aid, Relief, and Economic Security Act). There have been no examinations or audits of any tax returns or reports by any applicable federal, state, local or foreign governmental agency. The Company has duly and timely filed all federal, state, county, local and foreign tax returns required to have been filed by it and there are in effect no waivers of applicable statutes of limitations with respect to taxes for any year. The Company has not elected pursuant to the Code, to be treated as an "S" corporation or a collapsible corporation pursuant to Section 1362(a). The Company has not made any other elections pursuant to the Code (other than elections which relate solely to matters of accounting, depreciation or amortization) that would have a material effect on the Company, its financial condition, its business as presently conducted or presently proposed to be conducted or any of its properties or material assets.

2.19 Insurance. The Company has in full force and effect fire and casualty insurance policies with extended coverage, in the amounts (and from the carriers) set forth in Section 2.19 of the Disclosure Schedule.

2.20 Permits. The Company has all material franchises, permits, licenses and any similar authority necessary for the conduct of its business. The Company is not in default in any material respect under any of such franchises, permits, licenses or other similar authority.

2.21 Corporate Documents. The Restated Certificate is the currently effective certificate of incorporation of the Company. The Bylaws of the Company are in the form provided to the Purchasers and their counsel. The copy of the minute books of the Company provided to the Purchasers and their counsel contains minutes of all meetings of directors and stockholders and all actions by written consent without a meeting by the directors and stockholders since the date of incorporation and accurately reflects in all material respects all actions by the directors (and any committee of directors) and stockholders with respect to all transactions referred to in such minutes.

2.22 Environmental and Safety Laws. Except as would not reasonably be expected to have a Material Adverse Effect (a) the Company is and has been in compliance with all Environmental Laws; (b) there has been no release or to the Company's knowledge threatened release of any pollutant, contaminant or toxic or hazardous material, substance or waste, or petroleum or any fraction thereof (each a "***Hazardous Substance***") on, upon, into or from any site currently or heretofore owned, leased or otherwise used by the Company; (c) there have been no Hazardous Substances generated by the Company that have been disposed of or come to rest at any site that has been included in any published U.S. federal, state or local "superfund" site list or any other similar list of hazardous or toxic waste sites published by any governmental authority in the United States; and (d) there are no underground storage tanks located on, no polychlorinated biphenyls or any equipment containing such chemical used or stored on, and no hazardous waste as defined by the Resource Conservation and Recovery Act, as amended, stored on, any site owned, leased or operated by the Company, except for the storage of hazardous waste in compliance with Environmental Laws. There are no material environmental records, reports, notifications, certificates of need, permits, pending permit applications, correspondence, engineering studies, and environmental studies or assessments arising out of or in connection with the Company's business as now conducted and as proposed to be conducted.

2.23 Real Property Holding Corporation. The Company is not now and has never been a "United States real property holding corporation" as defined in the Code and any applicable regulations promulgated thereunder. The Company has filed with the Internal Revenue Service all statements, if any, with its United States income tax returns which are required under such regulations.

2.24 Disclosure. No representation or warranty of the Company contained in this Agreement, as qualified by the Disclosure Schedule, and no certificate furnished or to be furnished to Purchasers at the Closing contains any untrue statement of a material fact or, to the Company's knowledge, omits to state a material fact necessary in order to make the statements contained herein or therein not misleading in light of the circumstances under which they were made. It is understood that this representation is qualified by the fact that the Company has not delivered to the Purchasers, and has not been requested to deliver, a private placement or similar memorandum or any written disclosure of the types of information customarily furnished to purchasers of securities.

2.25 Foreign Corrupt Practices. Neither the Company nor to the Company's knowledge, any of its directors, officers, employees or agents have, directly or indirectly, made, offered, promised or authorized any payment or gift of any money or anything of value to or for the benefit of any "foreign official" (as such term is defined in the U.S. Foreign Corrupt Practices

Act of 1977, as amended (the "***FCPA***")), foreign political party or official thereof or candidate for foreign political office for the purpose of (i) influencing any official act or decision of such official, party or candidate, (ii) inducing such official, party or candidate to use his, her or its influence to affect any act or decision of a foreign governmental authority, or (iii) securing any improper advantage, in the case of (i), (ii) and (iii) above in order to assist the Company or any of its affiliates in obtaining or retaining business for or with, or directing business to, any person. Neither the Company nor any of its directors, officers, employees or agents have made or authorized any bribe, rebate, payoff, influence payment, kickback or other unlawful payment of funds or received or retained any funds in violation of any law, rule or regulation. The Company further represents that it has maintained, and has caused each of its subsidiaries and affiliates to maintain, systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) and written policies to ensure compliance with the FCPA or any other applicable anti-bribery or anti-corruption law, and to ensure that all books and records of the Company accurately and fairly reflect, in reasonable detail, all transactions and dispositions of funds and assets. Neither the Company nor any of its officers, directors or employees are the subject of any allegation, voluntary disclosure, investigation, prosecution or other enforcement action related to the FCPA or any other anti-corruption law (collectively, "***Enforcement Action***").

2.26 Data Privacy. In connection with its collection, storage, transfer (including, without limitation, any transfer across national borders) and/or use of any personally identifiable information from any individuals, including, without limitation, any customers, prospective customers, employees and/or other third parties (collectively "***Personal Information***"), the Company is and has been in compliance with all applicable laws in all relevant jurisdictions, the Company's privacy policies and the requirements of any contract or codes of conduct to which the Company is a party. The Company has commercially reasonable physical, technical, organizational and administrative security measures and policies in place to protect all Personal Information collected by it or on its behalf from and against unauthorized access, use and/or disclosure. The Company is and has been in compliance in all material respects with all laws relating to data loss, theft and breach of security notification obligations.

2.27 International Trade Laws.

2.27.1 The Company and its subsidiaries currently are and, during the past five years have been, in material compliance with: (i) all applicable Sanctions imposed, administered or enforced from time to time by U.S. government agencies (including, but not limited to, OFAC, the U.S. Department of State and the U.S. Department of Commerce), the United Nations Security Council, or any other relevant governmental entity; (ii) all applicable laws or regulations regarding the importation of goods, including those administered by Customs and Border Protection in the U.S. Department of Homeland Security (and any successor thereof) and any regulations, order, or directive promulgated, issued or enforced pursuant to such laws, or any other relevant governmental entity; and (iii) all applicable export control laws and regulations, including the Export Administration Regulations (15 C.F.R. §§ 730-774, as amended) and the International Traffic in Arms Regulations (22 C.F.R. §§ 120-130, as amended), or applicable export control laws issued by any other relevant governmental entity.

2.27.2 During the past five years, neither the Company nor any of its subsidiaries, nor any of their respective directors, officers or employees, nor, to the knowledge of

the Company, any Person acting for, at the direction, or on behalf of any of them is a Sanctions Target. Without limiting the foregoing: (a) the Company and its subsidiaries have obtained all required export and import licenses and other approvals under applicable International Trade Laws, timely filed all required filings and has assigned the appropriate export and import classifications to all products, software and technologies, in each case as required for its exports and imports of products, software and technologies, in each case as required for its exports and imports of products, software and technologies from the United States and any other applicable jurisdiction, which, in each such case, the failure to satisfy any of the foregoing would have a Material Adverse Effect on the Company; (b) the Company and its subsidiaries are in material compliance with the terms of all applicable export and import licenses, classifications, filing requirements or other approvals required under International Trade Laws; (c) there are no pending or, to the knowledge of the Company, threatened claims in writing against the Company or its subsidiaries with respect to such exports, imports, classifications, required filings or other approvals; (d) to the Company's knowledge, there are no pending investigations related to the Company's or its subsidiaries' exports or imports; (e) there are no actions, conditions, or circumstances pertaining to the Company's or its subsidiaries export or import transactions that would reasonably be expected to give rise to any material future claims; and (f) neither the Company or its subsidiaries have made any voluntary disclosures to, or have been subject to any fines, penalties or Sanctions from, any governmental agency regarding past violations of International Trade Laws.

3. REPRESENTATIONS AND WARRANTIES OF THE PURCHASERS. Each Purchaser hereby represents and warrants to the Company, severally and not jointly, as follows.

3.1 Authorization. The Purchaser has full power and authority to enter into the Transaction Agreements. The Transaction Agreements to which such Purchaser is a party, when executed and delivered by the Purchaser, will constitute valid and legally binding obligations of the Purchaser, enforceable in accordance with their terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies, or (b) to the extent the indemnification provisions contained in the Investors' Rights Agreement may be limited by applicable federal or state securities laws.

3.2 Purchase Entirely for Own Account. This Agreement is made with the Purchaser in reliance upon the Purchaser's representation to the Company, which by the Purchaser's execution of this Agreement, the Purchaser hereby confirms, that the Shares to be acquired by the Purchaser will be acquired for investment for the Purchaser's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that the Purchaser has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Agreement, the Purchaser further represents that the Purchaser does not presently have any contract, undertaking, agreement or arrangement with any Person to sell, transfer or grant participations to such Person or to any third Person, with respect to any of the Shares. The Purchaser has not been formed for the specific purpose of acquiring the Shares.

3.3 Disclosure of Information. The Purchaser has had an opportunity to discuss the Company's business, management, financial affairs and the terms and conditions of the offering of the Shares with the Company's management. Nothing in this Section 3, including the foregoing sentence, limits or modifies the representations and warranties of the Company in Section 2 of this Agreement or the right of the Purchasers to rely thereon.

3.4 Restricted Securities. The Purchaser understands that the Shares have not been, and will not be, registered under the Securities Act by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Purchaser's representations as expressed herein. The Purchaser understands that the Shares are "restricted securities" under applicable United States federal and state securities laws and that, pursuant to these laws, the Purchaser must hold the Shares indefinitely unless they are registered with the Securities and Exchange Commission and qualified by state authorities, or an exemption from such registration and qualification requirements is available. The Purchaser acknowledges that the Company has no obligation to register or qualify the Shares, or the Common Stock into which it may be converted, for resale except as set forth in the Investors' Rights Agreement. The Purchaser further acknowledges that if an exemption from registration or qualification is available, it may be conditioned on various requirements including, but not limited to, the time and manner of sale, the holding period for the Shares, and on requirements relating to the Company which are outside of the Purchaser's control, and which the Company is under no obligation and may not be able to satisfy.

3.5 No Public Market. The Purchaser understands that no public market now exists for the Shares, and that the Company has made no assurances that a public market will ever exist for the Shares.

3.6 Legends. The Purchaser understands that the Shares and any securities issued in respect of or exchange for the Shares, may bear any one or more of the following legends: (a) any legend set forth in, or required by, the other Transaction Agreements; (b) any legend required by the securities laws of any state to the extent such laws are applicable to the Shares represented by the certificate so legended; and (c) the following legend:

> *"THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO TRANSFER MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933, AS AMENDED."*

3.7 Accredited Investor. The Purchaser is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

3.8 No General Solicitation. At no time (a) has the Purchaser or any of its officers, directors, employees or other agents, been presented with or solicited by any publicly issued or circulated newspaper, mail, radio, television or other form of general advertising or solicitation in connection with the offer, sale or purchase of the Shares, whether or not such advertising or solicitation was received directly from the Company or indirectly from a broker, finder or other person or entity, nor (b) has the Purchaser or any of its officers, directors, employees or other agents attended any public meeting or seminar concerning an investment in the Shares.

3.9 Exculpation Among Purchasers. The Purchaser acknowledges that it is not relying upon any Person, other than the Company and its officers and directors, in making its investment or decision to invest in the Company. The Purchaser agrees that neither any Purchaser nor the respective controlling Persons, officers, directors, partners, agents, or employees of any Purchaser shall be liable to any other Purchaser for any action heretofore taken or omitted to be taken by any of them in connection with the purchase of the Shares.

3.10 Residence. If the Purchaser is an individual, then the Purchaser resides in the state or province identified in the address of the Purchaser set forth on Exhibit A; if the Purchaser is a partnership, corporation, limited liability company or other entity, then the office or offices of the Purchaser in which its principal place of business is identified in the address or addresses of the Purchaser set forth on Exhibit A.

4. CONDITIONS TO THE PURCHASERS' OBLIGATIONS AT CLOSING. The obligations of each Purchaser to purchase Shares at a particular Closing are subject to the fulfillment, on or before such Closing, of each of the following conditions, unless otherwise waived, *provided* that upon the consummation of such Closing, all such conditions shall be deemed waived in writing.

4.1 Representations and Warranties. The representations and warranties of the Company contained in Section 2 shall be true and complete in all respects as of the date of this Agreement and, as to the Committed Purchaser Additional Closing, shall be true and complete, in all material respects, as of such Closing.

4.2 Performance. The Company shall have performed and complied with all material covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by the Company on or before such Closing.

4.3 Compliance Certificate. The President or Chief Executive Officer of the Company shall have delivered to the Purchasers at the Initial Closing a certificate certifying that the conditions specified in Sections 4.1 and 4.2 have been fulfilled.

4.4 Qualifications. All authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Shares pursuant to this Agreement shall have been obtained and effective as of such Closing.

4.5 Opinions of Company Counsel. The Purchasers shall have received from Fenwick & West, LLP, counsel for the Company, an opinion, dated as of the Initial Closing, in the form attached hereto as Exhibit G.

4.6 Board of Directors. The authorized size of the Board shall be nine (9). As of the date of this Agreement, the Board shall be comprised of Andrew Feldman, Steve Vassallo, Eric Vishria, Brad Gerstner, Lior Susan and four (4) vacant seats.

4.7 Investors' Rights Agreement. Each Purchaser (other than a Purchaser relying upon this condition to excuse such Purchaser's performance hereunder) shall have executed and delivered a counterpart signature page to the Investors' Rights Agreement.

4.8 Right of First Refusal and Co-Sale Agreement. Each Purchaser (other than a Purchaser relying upon this condition to excuse such Purchaser's performance hereunder) shall have executed and delivered a counterpart signature page to the Right of First Refusal and Co Sale Agreement.

4.9 Voting Agreement. Each Purchaser (other than a Purchaser relying upon this condition to excuse such Purchaser's performance hereunder) shall have executed and delivered a counterpart signature page to the Voting Agreement.

4.10 Restated Certificate. The Company shall have filed the Restated Certificate with the Secretary of State of Delaware on or prior to such Closing, which shall continue to be in full force and effect as of such Closing.

4.11 Secretary's Certificate. The Secretary of the Company shall have delivered to the Purchasers at the Initial Closing a certificate certifying as to the truth and correctness of (a) the Restated Certificate; (b) the Bylaws of the Company; (c) resolutions of the Board approving the Restated Certificate, Transaction Agreements, and the transactions provided for therein, and any other necessary matters; and (d) resolutions of the stockholders of the Company approving the Restated Certificate and any other necessary matters.

4.12 Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated at such Closing and all documents incident thereto shall be reasonably satisfactory in form and substance to each Purchaser, and each Purchaser (or its counsel) shall have received all such counterpart original and certified or other copies of such documents as reasonably requested. Such documents may include good standing certificates.

4.13 CFIUS. CFIUS Approval shall have been obtained and no Burdensome Condition shall have been required.

4.14 Antitrust Waiting Periods. With respect to the applicable Closing, to the extent required for a Purchaser, the Purchaser and the Company shall have filed the Notification and Report Forms with the United States Federal Trade Commission ("***FTC***") and the Antitrust Division of the United States Department of Justice ("***DOJ***") required by the HSR Act, and the applicable waiting period under the HSR Act shall have expired or terminated.

5. CONDITIONS OF THE COMPANY'S OBLIGATIONS AT CLOSING. The obligations of the Company to sell Shares to each Purchaser at such Closing are subject to the

fulfillment, on or before such Closing, of each of the following conditions of such Purchaser, unless otherwise waived:

5.1 Representations and Warranties. The representations and warranties of such Purchaser contained in Section 3 shall be true and complete in all material respects as of such Closing.

5.2 Performance. Such Purchaser shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by it on or before such Closing.

5.3 Qualifications. All authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Shares pursuant to this Agreement shall be obtained and effective as of such Closing.

5.4 Restated Certificate. The Secretary of State of the State of Delaware shall have filed the Restated Certificate as of such Closing.

5.5 Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated at such Closing and all documents incident thereto shall be reasonably satisfactory in form and substance to the Company and its counsel, and the Company (or its counsel) shall have received all such counterpart original and certified or other copies of such documents as reasonably requested.

5.6 Voting Agreement. Each Purchaser and the other stockholders of the Company necessary to amend the Voting Agreement shall have executed and delivered a counterpart signature page to the Voting Agreement.

5.7 Investors' Rights Agreement. Each Purchaser shall have executed and the other stockholders of the Company necessary to amend the Investors' Rights Agreement shall have executed and delivered a counterpart signature page to the Investors' Rights Agreement.

5.8 Right of First Refusal and Co-Sale Agreement. Each Purchaser and the other stockholders of the Company necessary to amend the Right of First Refusal and Co-Sale Agreement shall have executed and delivered a counterpart signature page to the Right of First Refusal and Co-Sale Agreement.

5.9 CFIUS. Solely as a condition for the Committed Closing Purchasers, CFIUS Approval shall have been obtained and no Burdensome Condition shall have been required.

5.10 Antitrust Waiting Periods. With respect to the Initial Closing and any Additional Closing, to the extent required for a Purchaser, the Purchaser and the Company shall have filed the Notification and Report Forms with the FTC and the DOJ required by the HSR Act, and the applicable waiting period under the HSR Act shall have expired or terminated.

6. COVENANTS

6.1 CFIUS.

6.1.1 The Company, on the one hand, and EPTH, on the other hand, shall work together to, as promptly as practicable, complete governmental processes pursuant to Section 721 in connection with this Agreement. The Company and EPTH shall (i) as promptly as practicable jointly submit a draft written notice ("***Draft CFIUS Notice***") to CFIUS and complete the consultation process contemplated by 31 C.F.R. § 800.501(g) with respect to the contemplated transaction; (ii) as promptly as practicable and, in any event, within [***] of CFIUS notification that the Draft CFIUS Notice meets the requirements of 31 C.F.R. § 800.502 and is, accordingly, complete, jointly file with CFIUS a final written notice ("***CFIUS Notice***") as contemplated by 31 C.F.R. § 800.501(a); (iii) to the extent reasonably feasible and advisable, provide CFIUS with any additional or supplemental information requested by CFIUS or its member agencies during the CFIUS process; (iv) promptly reply to questions from the other party or from CFIUS that are reasonable necessary to satisfy the conditions set forth in Sections 4.13 and 5.9; and (v) use their respective reasonable best efforts expeditiously and lawfully to satisfy the conditions set forth in Sections 4.13 and 5.9 and to prevent impediments to consummation of the contemplated transaction; provided, however, that neither the Company nor EPTH shall be required, based on a reasonable determination by the Company or EPTH, as applicable, to engage in any activities listed in (a) through (f) of this subsection (any such requirement, a "***Burdensome Condition***") nor agree to any mitigation terms that would require the Company or EPTH, as applicable, to engage in such Burdensome Condition.

(a) [***];

(b) [***];

(c) [***];

(d) [***];

(e) [***]; or

(f) [***].

6.1.2 Each of EPTH and the Company shall promptly notify the other party of any communication it or any of its Affiliates receives from CFIUS relating to the matters that are the subject of this Agreement and permit the other Party to review in advance any proposed communication by such party to CFIUS. Subject to the requirements of applicable law, the parties to this Agreement will provide each other with copies of all correspondence, filings or communications between them or any of their representatives, on the one hand, and CFIUS or members of its staff, on the other hand, with respect to this Agreement and the transactions contemplated by this Agreement.

6.1.3 EPTH shall pay [***] of all filing fees in connection with the submission of the CFIUS Notice, and the Company shall pay [***] of all filing fees in connection with the submission of the CFIUS Notice.

6.1.4 If, on or prior to the Outside Date, CFIUS Approval has not been obtained, or CFIUS Approval has been obtained but with the requirement of a Burdensome Condition, then the portion of (a) the Total Purchase Price as set forth on Exhibit A with respect to EPTH plus (b) the total aggregate purchase price in connection with the exercise of any Purchase Options pursuant to Section 1.4 that was unable to be used to acquire shares of Series F-1 Preferred Stock shall instead be applied to the acquisition of newly created non-voting securities (the "***Alternative Securities***") of the Company by EPTH which, in all other respects, shall provide for the same rights and restrictions and shall rank pari passu with the Series F-1 Preferred Stock, and EPTH shall have the option, exercisable in its sole discretion, to convert the Alternative Securities into Series F-1 Preferred Stock, on a one-to-one basis, at any time, and without the payment of additional consideration, if at any point CFIUS Approval is obtained (whether in whole or in part) (the "***Fall-Back Position***"). The Alternative Securities shall be issued on the same terms and conditions as set forth in this Agreement. For the avoidance of any doubt, EPTH shall not be prevented from exercising its rights to purchase the Alternative Securities under this section or the Alternative Economic Position under Section 6.1.5, regardless of whether or not the termination rights under Section 6.3 are exercised.

6.1.5 If, in the course of reviewing the investment, CFIUS or the President of the United States takes any action that prevents implementation of the Fall-Back Position, the parties shall use reasonable best efforts to agree in good faith on a suitable economic solution which reflects the economic structure (i.e., pay-ins and pay-outs) that EPTH would otherwise have been entitled had EPTH been able to purchase the Alternative Securities pursuant to the terms and conditions of this Agreement (the "***Alternative Economic Position***").

6.1.6 For the avoidance of doubt, should either the Fall-Back Position or Alternative Economic Position be implemented, EPTH shall be entitled to purchase additional Alternative Securities or any equity securities issued pursuant to the Alternative Economic Position pursuant to Section 1.4, as applicable.

6.2 Antitrust Clearances.

6.2.1 Subject to the terms and conditions of this Agreement and to the extent required for a Committed Closing Purchaser, such Committed Closing Purchaser and the Company shall (i) make any necessary filings, notices, petitions, statements, registrations, or submissions under the HSR Act or the antitrust laws of any governmental authority, provided that the parties shall make any filings required under the HSR Act as soon as reasonably practicable following the date of this Agreement; (ii) comply to the extent necessary with any request for information by any governmental authority in connection with this Agreement, including any request for additional information and documentary material by the FTC or the Antitrust Division of the DOJ under the HSR Act; and (iii) use their reasonable best efforts to resolve questions or objections, if any, as may be asserted by any governmental authority with respect to this Agreement under the antitrust laws and obtain all approvals, consents, registrations, permits, authorizations and other confirmations from any governmental authority necessary, proper or advisable to obtain Regulatory Clearance of the transactions contemplated hereby. As used herein, "***Regulatory Clearance***" means the expiration or termination of (i) any applicable waiting period under the HSR Act relating to such Committed Closing Purchaser's purchase of the Shares and any extensions thereof, or (ii) any timing agreements or legally binding commitments obtained by

request or other action of the FTC and/or the DOJ, as applicable. Notwithstanding the foregoing, neither the Company nor EPTH shall be required, based on a reasonable determination by the Company or EPTH, as applicable, to engage in or agree to any Burdensome Condition.

6.2.2 In furtherance and not in limitation of the foregoing, to the extent required for a Committed Closing Purchaser, such Committed Closing Purchaser and the Company shall, unless prohibited by law, (i) promptly inform the other party of any communication from any governmental authority; (ii) consult and cooperate with, and consider in good faith the views of, one another, in connection with any analyses, appearances, presentations, memoranda, briefs, arguments, opinions and proposals made or submitted by or on behalf of any party in connection with proceedings under the antitrust laws of any governmental authority; (iii) promptly provide each other with copies of all written communications to or from any governmental authority; (iv) use good faith efforts to give each other reasonable advance notice of all meetings with any governmental authority; and (v) not participate independently in any meeting with a governmental authority without providing reasonable advance notice to the other party and an opportunity to attend and participate in such meeting. In addition, any party may, as it deems advisable and necessary, reasonably designate any confidential and competitively sensitive material provided to the other parties under this Section 6.2.2 as "Outside Counsel Only." Such materials and the information contained therein shall be given only to the outside legal counsel of the recipient and will not be disclosed by such outside counsel to employees, officers, or directors of the recipient, unless express written permission is obtained in advance from the source of the materials.

6.2.3 EPTH shall pay [***] of all filing fees in connection with the filings contemplated by this Section 6.2, and the Company shall pay [***] of all filing fees in connection with the filings contemplated by this Section 6.2.

6.3 Termination. The Committed Purchaser Obligation may be terminated with respect to the Committed Closing Purchasers and the Company, and the Committed Purchaser Obligation contemplated hereby will be abandoned solely with respect to the Committed Closing Purchasers and the Company, at any time prior to the Committed Purchaser Additional Closing by either (i) the mutual written consent of the Company and EPTH; or (ii) by either the Company or EPTH without the consent of the other party if the Committed Purchaser Additional Closing shall not have been consummated on or before the date that is nine months after the date of this Agreement (the "***Outside Date***"); provided, however, that the right to terminate the Committed Purchaser Obligation under this Section 6.3 shall not be available to any Committed Closing Purchaser whose action or failure to act under this Agreement has been a principal cause of or resulted in the failure of the Committed Purchaser Additional Closing to occur on or before such date and such action or failure to act constitutes a breach of this Agreement. Any termination pursuant to this Section 6.3 may be effected by the terminating party's delivery of notice to the other party in the manner provided in Section 7.6. In the event of the termination of the Committed Purchaser Obligation pursuant to this Section 6.3, the obligations of the Committed Closing Purchasers and the Company to consummate the sale of Shares pursuant to the Committed Purchaser Obligation shall be terminated and forthwith become void and have no effect, without any liability on the part of the Committed Closing Purchasers or the Company or any of their respective directors, officers, partners, members or stockholders or other Affiliates or agents; provided, however, that no party shall be relieved or released from any liabilities for damages arising from any willful breach of the terms of this Agreement by such party occurring prior to

such termination and provided further that the obligations described in Section 6.1.3 and 6.2.3 hereof shall survive any such termination.

7. GENERAL PROVISIONS.

7.1 Survival of Warranties. Unless otherwise set forth in this Agreement, the representations and warranties of the Company and the Purchasers contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and the Closing and shall in no way be affected by any investigation or knowledge of the subject matter thereof made by or on behalf of the Purchasers or the Company.

7.2 Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

7.3 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California, regardless of the laws that might otherwise govern under applicable principles of conflicts of law.

7.4 Counterparts; Facsimile. This Agreement may be executed and delivered by facsimile signature and in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

7.5 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

7.6 Notices. All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or: (a) personal delivery to the party to be notified, (b) when sent, if sent by facsimile during normal business hours of the recipient, and if not sent during normal business hours, then on the recipient's next Business Day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) Business Day after deposit with a nationally recognized overnight courier, freight prepaid, specifying next Business Day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their address as set forth on the signature page or Exhibit A, or to such address, email or facsimile number as subsequently modified by written notice given in accordance with this Section 7.6. If notice is given to the Company, it shall be sent to 1237 E Arques Ave, Sunnyvale, California 94085, marked "Attention: Chief Executive Officer"; and a copy (which

shall not constitute notice) shall also be sent to Fenwick & West, LLP, Silicon Valley Center, 801 California Street, Mountain View, California 94041, Attn: Mark A. Leahy. If notice is given to the Purchasers, a copy (which shall not constitute notice) shall also be sent to Paul Hastings LLP, 100 Bishopsgate London, POST-LON EC2N 4AG United Kingdom, Attn: David Prowse. If no email or facsimile number is listed on Exhibit A for a party (or above in the case of the Company), notices and communications given or made by email or facsimile shall not be deemed effectively given to such party.

7.7 Press Release and Announcements. No Purchaser may issue any press release or other public announcement relating to the subject matter of this Agreement or any of the Transaction Agreements or the transactions contemplated hereby or thereby (a "***Press Release***") without the prior approval of the Company, and the Company may not issue any Press Release without the prior approval of EPTH or any Press Release naming any Purchaser without such Purchaser's consent; except that, nothing in this Section 7.7 will preclude any party from making any disclosures necessary and proper in conjunction with the filing of any tax return or other document required to be filed or obtaining consents from any governmental authority. The Company and its Affiliates shall not disclose in any advertisement, press release, professional or trade publication, publicity or other manner the investment of any Purchaser contemplated by this Agreement, or use the name, logo, trademark, service mark or trade dress of any Purchaser or any of its respective Affiliates for any purpose, in each case without the prior written consent of such Purchaser.

7.8 No Finder's Fees. Each party represents that it neither is nor will be obligated for any finder's fee or commission in connection with this transaction. Each Purchaser agrees to indemnify and to hold harmless the Company from any liability for any commission or compensation in the nature of a finder's or broker's fee arising out of this transaction (and the costs and expenses of defending against such liability or asserted liability) for which each Purchaser or any of its officers, employees, or representatives is responsible. The Company agrees to indemnify and hold harmless each Purchaser from any liability for any commission or compensation in the nature of a finder's or broker's fee arising out of this transaction (and the costs and expenses of defending against such liability or asserted liability) for which the Company or any of its officers, employees or representatives is responsible.

7.9 Fees and Expenses. Each party shall pay all costs and expenses that it incurs with respect to the negotiation, execution, delivery and performance of this Agreement.

7.10 Attorneys' Fees. If any action at law or in equity (including arbitration) is necessary to enforce or interpret the terms of any of the Transaction Agreements, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

7.11 Amendments and Waivers. Except as set forth in Section 1.3 of this Agreement, any term of this Agreement may be amended, terminated or waived only with the written consent of the Company and the holders of at least a majority of the then-outstanding Shares (or Common Stock issued on conversion thereof); *provided*, that Additional Purchasers may become parties to this Agreement in accordance with Section 1.3 without any amendment of this Agreement or any consent or approval of any Purchaser. Any amendment or waiver effected in accordance with this Section 7.11 shall be binding upon the Purchasers and each transferee of

the Shares (or the Common Stock issuable upon conversion thereof), each future holder of all such securities, and the Company.

7.12 Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision.

7.13 Delays or Omissions. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

7.14 Entire Agreement. This Agreement (including the Exhibits hereto), the Restated Certificate and the other Transaction Agreements constitute the full and entire understanding and agreement between the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties are expressly canceled.

7.15 Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the federal or state courts located in the Northern District of California for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the federal or state courts located in the Northern District of California, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that a party is not subject to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution based upon judgment or order of such court(s), that any suit, action or proceeding arising out of or based upon this Agreement commenced in the federal or state courts located in the Northern District of California is brought in an inconvenient forum, that the venue of such suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court. Should any party commence a suit, action or other proceeding arising out of or based upon this Agreement in a forum other than the federal or state courts located in the Northern District of California, or should any party otherwise seek to transfer or dismiss such suit, action or proceeding from such court(s), that party shall indemnify and reimburse the other party for all legal costs and expenses incurred in enforcing this provision.

7.16 Waiver of Conflict of Interest. Each Purchaser and the Company is aware that Fenwick & West LLP ("***F&W***") may have previously performed and may continue to perform certain legal services for certain of the Purchasers in matters unrelated to F&W's representation of the Company. In connection with its Purchaser representation, F&W may have obtained

confidential information of such Purchasers that could be material to F&W's representation of the Company in connection with negotiation, execution and performance of this Agreement. In addition, an affiliate of F&W, may be investing as a Purchaser under the terms of this Agreement. By signing this Agreement, each Purchaser and the Company hereby acknowledges that the terms of this Agreement were negotiated between the Purchasers and the Company and are fair and reasonable and waives any potential conflict of interest arising out of such representation (including any future representation of such parties) or such possession of confidential information and consents to the investment by such affiliate of F&W. Each Purchaser and the Company further represents that it has had the opportunity to be, or has been, represented by independent counsel in giving the waivers contained in this Section 7.16.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have executed this **Series F-1 Preferred Stock Purchase Agreement** as of the date first written above.

COMPANY:

CEREBRAS SYSTEMS INC.

By: /s/ Andrew Feldman
Name: Andrew Feldman
Title: Chief Executive Officer

IN WITNESS WHEREOF, the parties have executed this **Series F-1 Preferred Stock Purchase Agreement** as of the date first written above.

PURCHASERS:

EXPANSION PROJECT TECHNOLOGIES HOLDING 8 SPV RSC LTD.

/s/ Peng Xiao
By: _____
Name: Peng Xiao
Title: Chief Executive Officer

IN WITNESS WHEREOF, the parties have executed this **Series F-1 Preferred Stock Purchase Agreement** as of the date first written above.

PURCHASERS:

ALPHA WAVE VENTURES II, LP
By: Alpha Wave Ventures GP, Ltd its General Partner

By: /s/ Cathy Weist
Name: Cathy Weist
Title: Authorized Signatory

IN WITNESS WHEREOF, the parties have executed this **Series F-1 Preferred Stock Purchase Agreement** as of the date first written above.

PURCHASERS:

ADVANCED MICRO DEVICES, INC.

By: /s/ Ava M. Hahn
Name: Ava M. Hahn
Title: SVP, General Counsel and Corporate Secretary

IN WITNESS WHEREOF, the parties have executed this **Series F-1 Preferred Stock Purchase Agreement** as of the date first written above.

PURCHASERS:

QUALCOMM VENTURES LLC

By: /s/ Adam Schwenker
Name: Adam Schwenker
Title: Authorized Signatory

IN WITNESS WHEREOF, the parties have executed this **Series F-1 Preferred Stock Purchase Agreement** as of the date first written above.

PURCHASERS:

ATREIDES FOUNDATION MASTER FUND LP

By: Atreides Foundation Fund GP, LLC, its
General Partner

By: /s/ Laura Malone
Name: Laura Malone
Title: General Counsel & CCO

ATREIDES ARRAKIS MASTER FUND, LP

By: Atreides Arrakis Fund GP, LLC, its
General Partner

By: /s/ Laura Malone
Name: Laura Malone
Title: General Counsel & CCO

IN WITNESS WHEREOF, the parties have executed this **Series F-1 Preferred Stock Purchase Agreement** as of the date first written above.

PURCHASERS:

VALOR R&D SERIES LLC – SERIES IQ

By: /s/ Antonio Gracias
Name: Antonio Gracias
Title: Authorized Officer

IN WITNESS WHEREOF, the parties have executed this **Series F-1 Preferred Stock Purchase Agreement** as of the date first written above.

PURCHASERS:

EMERGING FUND, L.P.

By: VentureTech Alliance IV, LLC
Its General Partner

By: /s/ Christy Hsin-Yi Chou
Name: Christy Hsin-Yi Chou
Title: Managing Member

LIST OF EXHIBITS

Exhibit		Document
Exhibit A	–	Schedule of Purchasers
Exhibit B	–	Form of Restated Certificate of Incorporation
Exhibit C	–	Disclosure Schedule
Exhibit D	–	Form of Investors' Rights Agreement
Exhibit E	–	Form of Right of First Refusal and Co-Sale Agreement
Exhibit F	–	Form of Voting Agreement
Exhibit G	–	Form of Legal Opinion of Company Counsel

AMENDMENT TO SERIES F-1 PREFERRED STOCK PURCHASE AGREEMENT

This **AMENDMENT TO SERIES F-1 PREFERRED STOCK PURCHASE AGREEMENT** (this "***Amendment***") is made and entered into as of July 2, 2024 by and among Cerebras Systems Inc., a Delaware corporation (the "***Company***"), and the parties listed on the signature pages hereto as "Investors" (each hereinafter individually referred to as an "***Investor***" and collectively referred to as the "***Investors***").

WHEREAS, the Company has previously authorized the sale and issuance of shares of its Series F-1 Preferred Stock (the "***Series F-1 Preferred Stock***") pursuant to that certain Series F-1 Preferred Stock Purchase Agreement, dated as of May 30, 2024, by and among the Company and certain investors party thereto (the "***Purchase Agreement***").

WHEREAS, the Company now wishes to increase the number of shares of Series F-1 Preferred Stock authorized for sale under the Purchase Agreement on the terms and conditions set forth herein.

WHEREAS, the parties hereto hold, or are committed to purchase, the number of shares of Series F-1 Stock necessary to amend the Purchase Agreement as contemplated by Section 7.11 thereof.

NOW, THEREFORE, the parties hereby agree as follows:

1. **Amendment to Purchase Agreement**.

(a) Section 1.3.1 of the Purchase Agreement is hereby amended as follows:

"1.3.1 At any time and from time to time on or after the Initial Closing (each, an " ***Additional Closing***"), the Company may sell, on the same terms and conditions as those contained in this Agreement, up to 28,649,385, shares of Series F-1 Preferred Stock less any shares of Series F-1 Preferred Stock sold in the Initial Closing and any Additional Closings (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or similar recapitalization affecting such shares) (the "***Additional Shares***"), to one or more purchasers reasonably acceptable to EPTH (the "***Additional Purchasers***"), provided that (a) at least 25,920,873 shares of Series F-1 Preferred Stock shall be reserved by the Company until the earlier of (i) the consummation of the Committed Purchaser Additional Closing (as defined below) or (ii) the termination of the Committed Purchaser Obligation (as defined below and as further set forth in Section 6.3 below), (b) each such subsequent sale is consummated prior to the Outside Date (as defined herein), and (c) each Additional Purchaser shall become a party to the Transaction Agreements (as defined below), by executing and delivering a counterpart signature page to each of the Transaction Agreements. Exhibit A to this Agreement shall be updated to reflect the number of Additional Shares purchased at each such Closing and the parties purchasing such Additional Shares. All sales of Shares made at an Additional Closing shall be made on the terms and conditions set forth in this Agreement, the representations and warranties of the Company set forth in Section 2 hereof (and the Disclosure Schedule) shall speak as of the date of this Agreement and the Company shall have no obligation to update the Disclosure Schedule from the date of this Agreement, and each new Purchaser shall make the representations and warranties in Section 5 as of such Closing."

2. **Reference to and Effect on the Purchase Agreement**. On and after the date hereof, each reference in the Purchase Agreement to "this Agreement", "hereof," "herein," "hereto," "herewith," "hereunder" and any other words of similar import shall, unless otherwise stated, be construed to refer to the Purchase Agreement as amended by this Amendment. Except as expressly modified by this Amendment, all terms of the Purchase Agreement shall remain in full force and effect.

3. **Counterparts**. This Amendment may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

4. **Governing Law**. This Amendment will be governed by and construed in accordance with the laws of the State of California, without giving effect to that body of laws pertaining to conflict of laws.

5. **Entire Agreement**. This Amendment, together with (a) the Purchase Agreement as amended hereby and (b) the documents referred to in the Purchase Agreement, including all exhibits and schedules hereto and thereto (the "***Ancillary Agreements***") constitute the entire agreement and understanding of the parties with respect to the subject matter hereof and thereof and supersede any and all prior negotiations, correspondence, agreements, understandings duties or obligations between the parties with respect to the subject matter hereof and thereof. Except as modified by this Amendment, the Purchase Agreement and the Ancillary Agreements shall remain in full force and effect in all respects without any modification.

6. **Severability**. In the event one or more of the provisions of this Amendment should, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Amendment, and this Amendment shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this **AMENDMENT TO SERIES F-1 PREFERRED STOCK PURCHASE AGREEMENT** as of the date first written above.

THE COMPANY:

CEREBRAS SYSTEMS INC.

By: /s/ Andrew Feldman
Name: Andrew Feldman
Title: Chief Executive Officer

IN WITNESS WHEREOF, the parties have executed this **AMENDMENT TO SERIES F-1 PREFERRED STOCK PURCHASE AGREEMENT** as of the date first written above.

INVESTORS:

ALPHA WAVE VENTURES II, LP

By: /s/ Cathy Weist
Name: Cathy Weist
Title: Authorized Signatory

Date: 6/30/2024

IN WITNESS WHEREOF, the parties have executed this **AMENDMENT TO SERIES F-1 PREFERRED STOCK PURCHASE AGREEMENT** as of the date first written above.

INVESTORS:

EXPANSION PROJECT TECHNOLOGIES HOLDING 8 SPV RSC LTD.

By: /s/ Peng Xiao
Name: Peng Xiao
Title: Chief Executive Officer

Date: 7/2/2024

Portions of this exhibit, indicated by [***], have been omitted in accordance with Item 601(b)(10)(iv) of Regulation S-K. The omitted information is (i) not material and (ii) treated by the Registrant as private or confidential.

**Portions of this exhibit have been omitted in accordance with Item 601(a)(5) of Regulation S-K.
The Registrant undertakes to furnish a copy of all omitted information, schedules, and exhibits to the U.S. Securities and Exchange Commission upon its request.**

CEREBRAS SYSTEMS INC.

To: Expansion Project Technologies Holding 8 SPV RSC Ltd
[***]

Re: Series F Extension Financing

Ladies and Gentlemen:

This letter agreement (the "***Agreement***") is entered into as of May 30, 2024 (the "***Signing Date***") by and between Cerebras Systems Inc., a Delaware corporation (the "***Company***"), Expansion Project Technologies Holding 8 SPV RSC Ltd. ("***EPTH***") and MOZN Holding RSC Ltd. ("**MOZN**"). Reference is made to that certain Series F-1 Preferred Stock Purchase Agreement (the " ***Purchase Agreement***"), dated at or near the date hereof, by and among the Company and the investors listed on Exhibit A thereto. Capitalized terms used but not defined herein shall have the meanings set forth in the Purchase Agreement.

Contingent upon and effective as of the Committed Purchaser Additional Closing, except as otherwise noted below, each of the Company and EPTH agree as follows:

1. Termination of Board Observer Right. The Company and MOZN hereby agree that, effective as of the Signing Date, that certain letter entitled "Cerebras System Inc. Series F Financing – Board Observer", dated September 29, 2021, by and between the Company and MOZN, is terminated in its entirety and of no further force or effect, and that MOZN shall no longer hold the right to select a representative to attend meetings of the Company's Board of Directors in a non-voting observer capacity as set forth therein.

2. Capitalization Table. Within forty-five (45) days after the end of each semi-annual fiscal period of the Company, the Company shall deliver to EPTH a statement showing the number of shares of each class and series of capital stock and securities convertible into or exercisable for shares of capital stock outstanding at the end of the period, the Common Stock issuable upon conversion or exercise of any outstanding securities convertible or exercisable for Common Stock and the exchange ratio or exercise price applicable thereto, and the number of shares of issued stock options and stock options not yet issued but reserved for issuance, if any, all in sufficient detail as to permit EPTH to calculate its percentage equity ownership in the Company.

3. Commercial Agreement.

a. Other than with respect to the [***] Condor and the [***] Condor Amount, the Company acknowledges and agrees that until December 31, 2025, the price charged by the Company for an HPC Cluster [***] shall not exceed [***] (exclusive of sales tax, shipping and other charges) under any agreement for purchases of HPC Clusters (as defined below) entered into by (i) the Company and G42 Holding US LLC or one of its subsidiaries or Affiliates (including, but not limited to, under the Framework Agreement for the Supply of Goods, dated as of September 13, 2023, by and between the Company and G42 Holding US LLC), or (ii) the Company and any third party that G42 Holding US LLC (or any of its subsidiaries or Affiliates) has caused to purchase HPC Clusters; provided that such third party does not have any pre-existing relationship with the Company or is not otherwise a potential customer of the Company that the Company has engaged with.

b. G42 Holding US LLC or one of its Affiliates will, or will cause a third party (to be approved by the Company with such approval not being unreasonably withheld) to, purchase HPC Clusters [***] (the "[***] ***Condor***") at a price [***] for an aggregate amount equal to US$1,429,898,688.00 (exclusive of taxes, shipping and other charges except as set forth in Appendix I, which, for the avoidance of doubt, shall include shipping charges for deployment in up to three locations in the United States) (the "[***] ***Condor Amount***"), with such third party being automatically approved if it complies with all requirements for an export license and other legal, regulatory and disclosure requirements applicable to the Company; provided, however, that if such third party does not or is not able to comply with all requirements for an export license or is otherwise unable to purchase the HPC Clusters, then G42 Holding US LLC or one of its Affiliates shall purchase such HPC Clusters by (a) completing the prepayment of the [***] Condor Amount to the Company before February 28, 2025 (which can be made in installments) on the same terms as the Letter of Award in Respect of HPC Infrastructure PO dated April 24, 2024, and (b) executing a binding purchase order as soon as possible on the terms set forth in Appendix I hereto, including the prepayment schedule thereto.

4. Rights to Future Stock Issuances. The Company acknowledges and agrees that if the Company issues and sells additional shares of Series F-1 Preferred Stock pursuant to Section 1.3 of the Purchase Agreement for an aggregate total purchase price in excess of $400 million (the amount over $400 million, the "***Excess Offering***"), to the extent the Excess Offering results in an increase to the fully diluted shares of the Company, then (i) the definition of "New Securities" under the Investors' Rights Agreement, as applied to EPTH only, shall include all such shares of Series F-1 Preferred Stock issued in the Excess Offering, and, (ii) in the event the Committed Purchaser Additional Closing has yet to be consummated prior to such dilutive Excess Offering, the calculation of EPTH's Pro Rata Amount (as defined in the Investors' Rights Agreement) shall be deemed to include all shares of Series F-1 Preferred Stock to be sold to EPTH in the Committed Purchaser Additional Closing and EPTH may exercise its right to purchase its Pro Rata Amount of the dilutive Excess Offering pursuant to the Investors' Rights Agreement after the Committed Purchaser Additional Closing occurs. For the avoidance of doubt, EPTH consents to the Company amending the Transaction Agreements and Restated Certificate to effect the Excess Offering on the condition that (i) such Excess Offering will be on the same terms and conditions

as set forth in the Purchase Agreement and (ii) such amendments shall be limited to (A) updating the List of Investor schedules attached to the Transaction Agreements, signatories and signature pages and the Company's representations with respect to the numbers of authorized, issued and outstanding shares of Preferred Stock and Common Stock set forth in Sections 2.2.1, 2.2.2 and 2.2.3 of the Purchase Agreement, and (B) authorizing additional shares of Series F-1 Preferred Stock (and Common Stock issuable upon conversion thereof), as necessary.

5. Representations at Excess Offerings. If the Company sells additional shares of Series F-1 Preferred Stock to EPTH or any of its Affiliates in an Excess Offering, then with no further action required by the parties at such Excess Offering, the Company hereby represents and warrants to EPTH or its Affiliate, as appropriate, that, except as set forth on the Disclosure Schedule (which exceptions shall be deemed to be part of the representations and warranties made thereunder), the representations included in Article 2 of the Purchase Agreement are true and complete as of the date of such Excess Offering.

6. Rights to Interim Dividends. The Company acknowledges and agrees that if the Company declares or pays any dividends or authorizes or makes any distribution upon or with respect to any class or series of its capital stock (a "***Distribution***") from the date of the Purchase Agreement to the date of the Committed Purchaser Additional Closing, then, subject to EPTH purchasing the Committed Closing Shares (or Alternative Securities or any equity securities issued pursuant to the Alternative Economic Position) in accordance with the terms of the Purchase Agreement, EPTH shall be treated as holding the Shares for the sole purpose of such Distribution, with such Distribution to be paid upon the Committed Purchaser Additional Closing.

7. Notification Rights. The Company acknowledges and agrees to provide written notice to EPTH in the event the Company issues equity securities of the Company to any Person that does not hold any equity securities of the Company as of the date hereof identifying such Person, and such notice shall be provided to EPTH [***] in advance of any such issuance of equity securities.

8. Definition of Competitor. In no event shall EPTH or its Affiliates be deemed to be a "Competitor" of the Company under the Investors' Rights Agreement, as such term is defined in the Investors' Rights Agreement.

9. Successors and Assigns. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

10. Governing Law. This Agreement and any controversy arising out of or relating to this Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without regard to its principles of conflicts with law.

11. Amendment. Except as set forth herein, neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented or modified other than by an instrument in writing signed by the Company and EPTH; provided that the observance of any provision of this Agreement may be waived in writing by the party that will lose the benefit of such provision as a result of such waiver.

12. Counterparts. This Agreement may be executed in any number of counterparts and signatures may be delivered by facsimile, each of which may be executed by less than all parties, each of

which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one instrument.

13. Entire Agreement. This Agreement, together with the Purchase Agreement and the other agreements described therein, constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and no party shall be liable or bound to any other party in any manner by any representations, warranties, covenants and agreements except as specifically set forth herein or therein.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be duly executed and delivered.

CEREBRAS SYSTEMS INC.

By: /s/ Andrew Feldman
Name: Andrew Feldman
Title: Chief Executive Officer

EXPANSION PROJECT TECHNOLOGIES HOLDING 8 SPV RSC LTD.

By: /s/ Peng Xiao
Name: Peng Xiao
Title: Chief Executive Officer

MOZN HOLDING RSC LTD.

By: /s/ Peng Xiao
Name: Peng Xiao
Title: Chief Executive Officer