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

Form 10-Q

(Mark one)

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

For the quarterly period ended March 31, 2022

or

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

For the transition period from \_\_\_ to \_\_\_

Commission file number: 001-39388



**Berkeley Lights, Inc.**

*(Exact name of registrant as specified in its charter)*

**Delaware**

*(State or other jurisdiction of incorporation or organization)*

**35-2415390**

*(I.R.S. Employer Identification No.)*

**5858 Horton Street, Suite 320**

**Emeryville, California 94608**

*(Address of principal executive offices)( Zip code)*

**(510) 858-2855**

*(Registrant's telephone number, including area code)*

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

**Title of each class**

**Trading symbol(s)**

**Name of each exchange on which registered**

Common stock, \$0.00005 par value

BLI

The Nasdaq Global Select Market

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

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

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>	Non-accelerated filer	<input type="checkbox"/>
Smaller reporting company	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>		

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

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

As of April 30, 2022, 67,826,564 shares of the registrant’s common stock, \$0.00005 par value per share, were outstanding.

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**BERKELEY LIGHTS, INC.**

**FORM 10-Q FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2022**

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**PART I. FINANCIAL INFORMATION****Item 1. Condensed Consolidated Financial Statements (Unaudited).****Berkeley Lights, Inc.  
Condensed Consolidated Balance Sheets**

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
<b>(In thousands, except share and per share data)</b>	<b>(unaudited)</b>	
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 164,674	\$ 178,096
Trade accounts receivable	17,721	25,942
Inventory	15,665	14,547
Prepaid expenses and other current assets	10,304	11,985
Total current assets	208,364	230,570
Restricted cash	270	270
Property and equipment, net	29,913	27,992
Operating lease right-of-use assets	25,325	26,060
Other assets	1,985	2,361
Total assets	<u>\$ 265,857</u>	<u>\$ 287,253</u>
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities:		
Trade accounts payable	\$ 8,015	\$ 8,198
Accrued expenses and other current liabilities	9,916	12,425
Deferred revenue	9,780	12,128
Total current liabilities	27,711	32,751
Notes payable	19,778	19,762
Deferred revenue, net of current portion	1,600	2,187
Lease liability, long-term	23,567	24,337
Total liabilities	72,656	79,037
Commitments and contingencies (Note 13)		
Stockholders' equity:		
Common stock, \$0.00005 par value. Authorized 300,000,000 shares at March 31, 2022 and December 31, 2021; issued and outstanding 67,820,115 and 67,595,535 shares at March 31, 2022 and December 31, 2021, respectively	4	4
Additional paid-in capital	478,231	471,820
Accumulated deficit	(285,034)	(263,608)
Total stockholders' equity	193,201	208,216
Total liabilities and stockholders' equity	<u>\$ 265,857</u>	<u>\$ 287,253</u>

See accompanying notes to these condensed consolidated financial statements.

**Berkeley Lights, Inc.**  
**Condensed Consolidated Statements of Operations and Comprehensive Loss (Unaudited)**

	<b>Three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>(In thousands, except share and per share data)</b>		
<b>Revenue:</b>		
Product revenue	\$ 9,774	\$ 13,533
Service revenue	10,432	5,095
Total revenue	20,206	18,628
<b>Cost of sales:</b>		
Product cost of sales	2,695	3,703
Service cost of sales	3,684	2,474
Total cost of sales	6,379	6,177
Gross profit	13,827	12,451
<b>Operating expenses:</b>		
Research and development	17,573	13,027
General and administrative	11,716	8,967
Sales and marketing	5,811	5,606
Total operating expenses	35,100	27,600
Loss from operations	(21,273)	(15,149)
<b>Other income (expense):</b>		
Interest expense	(224)	(354)
Interest income	34	66
Other income, net	57	19
Loss before income taxes	(21,406)	(15,418)
Provision for income taxes	20	17
Net loss and comprehensive loss	\$ (21,426)	\$ (15,435)
Net loss attributable to common stockholders per share, basic and diluted	\$ (0.32)	\$ (0.24)
Weighted-average shares used in calculating net loss per share, basic and diluted	67,697,488	65,259,398

See accompanying notes to these condensed consolidated financial statements.

**Berkeley Lights, Inc.**  
**Condensed Consolidated Statements of Changes in Stockholders' Equity (Unaudited)**

(In thousands, except per share data)	Three Months Ended March 31, 2022				
	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balances at December 31, 2021	67,595,535	\$ 4	\$ 471,820	\$ (263,608)	\$ 208,216
Shares issued in connection with:					
Exercise of stock options	81,654	—	412	—	412
Vesting of restricted stock units	27,580	—	—	—	—
Employee stock purchase plan	115,346	—	610	—	610
Stock-based compensation	—	—	5,389	—	5,389
Net loss	—	—	—	(21,426)	(21,426)
Balances at March 31, 2022	67,820,115	\$ 4	\$ 478,231	\$ (285,034)	\$ 193,201

(In thousands, except per share data)	Three Months Ended March 31, 2021				
	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount			
Balances at December 31, 2020	64,486,246	\$ 3	\$ 436,662	\$ (191,884)	\$ 244,781
Shares issued in connection with:					
Exercise of stock options	1,778,130	1	6,361	—	6,362
Vesting of restricted stock units	5,000	—	—	—	—
Employee stock purchase plan	115,360	—	2,157	—	2,157
Stock-based compensation	—	—	4,501	—	4,501
Net loss	—	—	—	(15,435)	(15,435)
Balances at March 31, 2021	66,384,736	\$ 4	\$ 449,681	\$ (207,319)	\$ 242,366

See accompanying notes to these condensed consolidated financial statements.

**Berkeley Lights, Inc.**  
**Condensed Consolidated Statements of Cash Flows (Unaudited)**

(In thousands)	Three months ended March 31,	
	2022	2021
<b>Cash flows from operating activities:</b>		
Net loss	\$ (21,426)	\$ (15,435)
<b>Adjustments to reconcile net loss to cash used in operating activities:</b>		
Depreciation	1,944	1,345
Stock-based compensation	5,393	4,494
Amortization of operating lease right-of-use assets	735	495
Non-cash interest and other expense related to debt and note receivable agreements	16	18
Provision for excess and obsolete inventory	195	44
Loss on disposal and impairment of property and equipment	28	13
<b>Changes in operating assets and liabilities:</b>		
Trade accounts receivable	8,221	(3,493)
Inventory	(1,317)	(2,744)
Prepaid expenses, other current assets and other assets	2,057	(1,036)
Trade accounts payable	298	2,690
Deferred revenue	(2,935)	3,039
Accrued expenses and other current liabilities	(2,552)	(429)
Operating lease liabilities	(726)	(361)
Net cash used in operating activities	(10,069)	(11,360)
<b>Cash flows from investing activities:</b>		
Purchase of property and equipment	(4,375)	(402)
Net cash used in investing activities	(4,375)	(402)
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of common stock upon exercise of stock options	412	6,362
Proceeds from issuance of common stock under employee stock purchase plan	610	2,157
Net cash provided by financing activities	1,022	8,519
Net decrease in cash and cash equivalents and restricted cash	(13,422)	(3,243)
Cash and cash equivalents and restricted cash at beginning of period	178,366	233,678
Cash and cash equivalents and restricted cash at end of period	\$ 164,944	\$ 230,435

See accompanying notes to these condensed consolidated financial statements.

**Berkeley Lights, Inc.**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

**(1) The Company and Basis of Presentation**

***Description of Business***

Berkeley Lights, Inc. (the “Company” or “Berkeley Lights”) is a leading Digital Cell Biology company focused on enabling and accelerating the rapid development and commercialization of biotherapeutics and other cell-based products. Berkeley Lights’ platform is a fully integrated, end-to-end solution, comprised of proprietary consumables, including the Company’s OptoSelect chips and reagent kits, advanced automation systems and advanced application and workflow software.

Berkeley Lights and its consolidated subsidiaries are hereinafter referred to as the “Company”. The Company’s headquarters are in Emeryville, California.

***Basis of Presentation***

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America.

***Liquidity***

The Company has experienced losses from its operations since its inception and has relied primarily on equity and debt financing to fund its operations to date. For the three months ended March 31, 2022, the Company had a consolidated net loss of \$21.4 million and as of March 31, 2022 had an accumulated deficit of \$285.0 million and unrestricted cash and cash equivalents of \$164.7 million. Management expects to continue to incur significant expenses for the foreseeable future and to incur operating losses in the near term while the Company makes investments to support its anticipated growth. The Company believes that its cash and cash equivalents balance as of March 31, 2022 provides sufficient capital resources to continue its operations for at least 12 months from the issuance date of the accompanying consolidated financial statements.

**(2) Summary of Significant Accounting Policies**

***Significant Accounting Policies***

The Company’s significant accounting policies are disclosed in its Annual Report on Form 10-K for the year ended December 31, 2021 filed with the Securities and Exchange Commission and have not materially changed during the three months ended March 31, 2022, with the exception of the Company’s accounting policy for stock-based compensation, as the Company granted awards with market conditions for the first time during the three months ended March 31 2022, as described further below.

***Stock-Based Compensation***

The Company maintains an incentive compensation plan under which stock options and restricted stock units (“RSU”) are granted to employees and non-employee consultants.

Stock-based compensation expense is based on the grant date fair value of the award. The Company determines the fair value of RSUs based on the closing value of its stock price listed on the Nasdaq at the date of the grant.

The Company estimates the fair value of the majority of stock option awards on the grant date using the Black-Scholes option-pricing model. For option awards that include a goal tied to the Company share price (i.e. a market condition) the Company uses a Monte Carlo simulation to estimate the fair value.

The fair value of stock options and RSUs with only a service condition is recognized as compensation expense on a straight-line basis over the requisite service period in which the awards are expected to vest and forfeitures are recognized as they occur.

**Berkeley Lights, Inc.**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

Stock options and RSUs that include a service condition and a performance condition are considered expected to vest when the performance condition is probable of being met. Compensation expense associated with performance stock options and awards that are determined to be probable of achievement is recognized over the requisite service period on a tranche-by-tranche basis.

For performance stock options and awards not initially assessed as probable of achievement, the Company records a cumulative adjustment to compensation expense in the period the Company changes its determination that a performance condition becomes probable of being achieved. The Company ceases recognition of compensation expense in any periods where the Company determines the attainment of a performance condition is no longer probable. If the performance goals are determined to be improbable, any previously recognized compensation expense is reversed.

The fair value of stock option with a market condition is recognized over the requisite service period for each tranche of the award and is recognized regardless of whether (or to what extent) the market condition is ultimately achieved.

**(3) Significant Risks and Uncertainties Including Business and Credit Concentrations**

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash equivalents and trade receivables. The Company's cash and cash equivalents are held by large, credit worthy financial institutions. The Company invests its excess cash in money market funds. The Company has established guidelines relative to credit ratings, diversification and maturities that seek to maintain safety and liquidity. Deposits in these banks may exceed the amounts of insurance provided on such deposits. To date, the Company has not experienced any losses on its deposits of cash and cash equivalents.

The Company controls credit risk through credit approvals and monitoring procedures. The Company performs periodic credit evaluations of its customers and generally does not require collateral. Accounts receivable are recorded net of an allowance for doubtful accounts. The allowance for doubtful accounts is based on management's assessment of the collectability of specific customer accounts and the aging of the related invoices and represents the Company's best estimate of expected credit losses in its existing trade accounts receivable. At each of March 31, 2022 and December 31, 2021, the Company had not recorded any material allowance for doubtful accounts.

Most of the Company's customers are located in the United States and Asia Pacific. For the three months ended March 31, 2022, three customers accounted for 18%, 13% and 10% of revenue. For the three months ended March 31, 2021, two customers accounted for 11% and 10% of revenue.

As of March 31, 2022, four customers comprised 22%, 14%, 11% and 10% of accounts receivable. As of December 31, 2021, three customers accounted for 15%, 11% and 11% of accounts receivable.

**Berkeley Lights, Inc.**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

**(4) Revenue From Contracts With Customers**

***Disaggregation of Revenue***

The following table depicts the disaggregation of revenue by type of customer or sales channel, market segment as defined by nature of workflows and activities of the end customer and timing of revenue recognition (in thousands):

	<b>Three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>Type of Sales Channel</b>		
Direct sales channel	\$ 15,486	\$ 10,439
Distributor channel	4,720	8,189
Net revenues	<u>\$ 20,206</u>	<u>\$ 18,628</u>
<b>Market</b>		
Antibody therapeutics	\$ 14,225	\$ 15,114
Synthetic biology	2,472	1,984
Agricultural biology	1,491	—
Gene therapy	1,774	1,225
Cell therapy	244	305
Net revenues	<u>\$ 20,206</u>	<u>\$ 18,628</u>
<b>Timing of Revenue Recognition</b>		
Goods and services transferred at a point in time	\$ 9,836	\$ 13,064
Goods and services transferred over time	10,370	5,564
Net revenues	<u>\$ 20,206</u>	<u>\$ 18,628</u>

Revenues by market are determined by the revenue associated with workflows that the Company's customers are utilizing, primarily on the Company's Beacon platform, or by the nature of the workflows that the Company is developing under strategic partnerships and services agreements. Revenues by geographical markets are presented in Note 15 to these condensed consolidated financial statements.

***Performance Obligations***

A significant number of the Company's product and service sales, as well as its feasibility study arrangements, are short-term in nature with a contract term of one year or less. For those contracts, the Company has utilized the practical expedient in ASC 606-10-50-14 exempting the Company from disclosure of the transaction price allocated to remaining performance obligations if the performance obligation is part of a contract that has an original expected duration of one year or less.

As of March 31, 2022, the aggregate amount of remaining performance obligations that are unsatisfied or partially unsatisfied related to customer contracts in excess of one year was \$6.9 million, which is included in deferred revenue on the Company's condensed consolidated balance sheets, of which approximately 35% is expected to be recognized as revenue in the next 12 months, with the remainder recognized afterwards.

***Contract Balances***

The following table provides information about receivables, contract assets and deferred revenue from contracts with customers (in thousands):

**Berkeley Lights, Inc.**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

	March 31, 2022	December 31, 2021
Trade accounts receivable	\$ 17,721	\$ 25,942
Contract assets, which are included in "Prepaid expenses and other current assets"	\$ 1,896	\$ 1,736
Contract assets, long-term, which are included in "Other assets"	\$ 571	\$ 1,070
Deferred revenue (current)	\$ 9,780	\$ 12,128
Deferred revenue (non-current)	\$ 1,600	\$ 2,187

The contract liabilities of \$11.4 million and \$14.3 million as of March 31, 2022 and December 31, 2021, respectively, consisted of deferred revenue related to extended warranty service agreements, strategic partnerships and services agreements and advanced automation systems arrangements. Revenue recorded during the three months ended March 31, 2022 included \$4.6 million of previously deferred revenue that was included in contract liabilities as of December 31, 2021.

**Sales-type Lease Arrangements**

The Company also enters into sales-type lease arrangements with certain qualified customers. Revenue related to lease elements from sales-type leases is presented as product revenue and was nil and \$1.7 million for the three months ended March 31, 2022 and 2021, respectively.

The following table presents the future maturity of the Company's fixed-term customer leases and reconciles the undiscounted cash flows from the amounts due from customers under such arrangements as of March 31, 2022 (in thousands):

Year ending December 31,	Sales-Type Leases
Remainder of 2022	\$ 1,655
2023	445
2024	853
Total undiscounted cash flows	2,953
Less: unearned income	368
Total amounts due from customers, gross	\$ 2,585

**(5) Balance Sheet Accounts**

*Inventory*

The following table shows the components of inventory (in thousands):

	March 31, 2022	December 31, 2021
Raw materials	\$ 8,861	\$ 8,296
Finished goods	6,804	6,251
Total	\$ 15,665	\$ 14,547

*Prepaid expenses and other current assets*

The following table shows the components of prepaid expenses and other current assets (in thousands):

**Berkeley Lights, Inc.**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Contract asset	\$ 1,896	\$ 1,736
Vendor deposits	2,712	2,802
Deferred costs	512	561
Prepaid insurance	1,640	2,944
Other (1)	3,544	3,942
Total	<u>\$ 10,304</u>	<u>\$ 11,985</u>

(1) Other includes primarily prepaid rent expenses, software licenses and prepaid VAT.

*Accrued expenses and other current liabilities*

The following table shows the components of accrued expenses and other current liabilities (in thousands):

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Accrued payroll and employee related expenses	\$ 4,697	\$ 6,757
Lease liability – short-term	2,984	2,941
Accrued product warranty	914	1,085
Accrued legal expenses	680	504
Other (1)	641	1,138
Total	<u>\$ 9,916</u>	<u>\$ 12,425</u>

(1) Other includes primarily accrued income taxes, sales taxes, accrued royalties and other miscellaneous accruals.

**(6) Fair Value of Financial Instruments**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the reporting date. The categorization of a financial instrument within the valuation hierarchy is based on the lowest level of input that is significant to the fair value measurement.

The carrying amounts of the Company's cash equivalents, accounts receivable and accounts payable approximate fair value due to their relatively short maturities. The Company classifies its cash equivalents, which are comprised primarily of money market funds, within Level 1, as it uses quoted market prices in the determination of fair value.

**Berkeley Lights, Inc.**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

The following tables set forth the fair value of the Company's financial assets and liabilities by level within the fair value hierarchy (in thousands):

	<b>March 31, 2022</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Assets</b>				
Money market funds	\$ 25,141	\$ 25,141	\$ —	\$ —
<b>Total</b>	<b>\$ 25,141</b>	<b>\$ 25,141</b>	<b>\$ —</b>	<b>\$ —</b>

	<b>December 31, 2021</b>	<b>Quoted Prices in Active Markets for Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
<b>Assets</b>				
Money market funds	\$ 25,138	\$ 25,138	\$ —	\$ —
<b>Total</b>	<b>\$ 25,138</b>	<b>\$ 25,138</b>	<b>\$ —</b>	<b>\$ —</b>

The carrying values and fair values of the Company's financial instruments not measured at fair value were as follows (in thousands):

	<b>March 31, 2022</b>		<b>December 31, 2021</b>	
	<b>Carrying Value</b>	<b>Fair Value</b>	<b>Carrying Value</b>	<b>Fair Value</b>
Long-term debt, including current maturities	\$ 19,778	\$ 19,295	\$ 19,762	\$ 19,298

The Company estimated the fair value of its long-term debt using a market-based approach that considers an average cost of debt. The Company has incorporated its own credit risk for all liability fair value measurements. Such fair value measurements are considered Level 2 under the fair value hierarchy.

The Company did not have any transfers of financial assets measured at fair value on a recurring basis to or from Level 1, Level 2 or Level 3 for any of the periods presented.

**Berkeley Lights, Inc.**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

**(7) Property and Equipment, net**

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

	March 31, 2022	December 31, 2021
Equipment, tooling and molds	\$ 37,050	\$ 33,972
Computer software and equipment	2,845	3,019
Furniture, fixtures and other	1,955	1,891
Leasehold improvements	10,750	6,105
Construction in process	756	4,803
Total property and equipment	53,356	49,790
Less: Accumulated depreciation	(23,443)	(21,798)
Property and equipment, net	<u>\$ 29,913</u>	<u>\$ 27,992</u>

Total depreciation expense for the three months ended March 31, 2022 and 2021 was \$1.9 million and \$1.3 million, respectively.

During the three months ended March 31, 2022 and 2021, losses on the impairment and disposal of property and equipment was not material.

**(8) Leases**

The Company leases office, manufacturing, distribution and laboratory facilities in Emeryville, California under multiple operating leases. During the third quarter of 2021, the Company extended the term for its leases related to the facilities in Emeryville and these leases will now expire in 2029. Also, during the third quarter of 2021, the Company entered into a seven year lease of space for office and laboratory operations in Lexington, Massachusetts, which commenced on July 1, 2021.

The Company also leases two facilities in Shanghai, China for office and laboratory facilities under operating lease agreements that were entered into in July 2020. These leases expire at various dates, the latest of which is August 2023.

Future payments associated with the Company's operating lease liabilities as of March 31, 2022 is as follows (in thousands):

	<b>Operating leases</b>
Undiscounted lease payments for the year ending December 31,	
Remainder of 2022	\$ 3,148
2023	4,276
2024	4,355
2025	4,486
2026	4,621
Thereafter	12,222
Total undiscounted lease payments	33,108
Less: implied interest	(5,131)
Less: tenant improvement allowances receivable	(1,426)
Present value of operating lease payments	26,551
Less: current portion (1)	(2,984)
Total long-term operating lease liabilities	<u>\$ 23,567</u>

**Berkeley Lights, Inc.**  
**Notes to Condensed Consolidated Financial Statements**  
**(Unaudited)**

(1) Included in the balance sheet caption “Accrued expenses and other current liabilities.”

Rent expense for the three months ended March 31, 2022 and 2021 was \$1.1 million and \$0.8 million, respectively. Under the terms of the lease agreements, the Company is also responsible for certain variable lease payments that are not included in the measurement of the lease liability. Variable lease payments for operating leases were \$0.8 million and \$0.5 million for the three months ended March 31, 2022 and 2021, respectively, including non-lease components such as common area maintenance fees.

The following information represents supplemental disclosure for the statement of cash flows related to operating leases (in thousands):

	<b>Three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Right-of-use assets obtained for new operating lease liabilities	\$ —	\$ —
Cash paid for amounts included in the measurement of lease liabilities	\$ 1,098	\$ 691

The following summarizes additional information related to operating leases:

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Weighted-average remaining lease term (years)	7.27	7.51
Weighted-average discount rate	4.67 %	4.67 %

The Company also enters into leasing transactions in which the Company is the lessor, which to date have been classified as sales-type leases. See Note 4 of these condensed consolidated financial statements for the related lease disclosures.

**(9) Notes Payable**

On May 23, 2018, the Company entered into a Loan and Security Agreement with East West Bank (“EWB”) providing it the ability to borrow up to \$20.0 million. The loan facility was fully drawn as of May 23, 2018.

On June 30, 2021, the Company entered into an Amended and Restated Loan and Security Agreement (the “Agreement”) with EWB. Pursuant to the Agreement, EWB provided a \$20.0 million term loan (the “Term Loan”) which was used to refinance the term loan outstanding under the Loan and Security Agreement dated May 23, 2018. The Term Loan matures in 48 months and bears a fixed interest rate of 4.17%. The Term Loan has an initial interest-only period of 24 months, which can be extended to up to 36 months based on the achievement of certain liquidity measures, and can be pre-paid without penalty at any time.

The Agreement grants EWB a security interest in and liens on all assets of the Company, excluding intellectual property, which is subject to a double negative pledge. In addition, certain other terms of the original agreements as previously in effect were amended by the Agreement, including certain financial covenants. The Amended and Restated Loan and Security Agreement was accounted for as a debt modification and the Company capitalized incremental debt issuance costs.

Furthermore, the Agreement also provided the Company with a new \$10.0 million revolving credit (the “Revolving Line”), which bears interest on the outstanding daily balance thereof of 0.70% above the Prime Rate (as defined in the Agreement). No amounts were outstanding under the Revolving Line as of March 31, 2022.

The Agreement contains certain financial and non-financial covenants. As of March 31, 2022, the Company was in compliance with the terms and covenants of the Agreement.

The following is a schedule of payments due on notes payable as of March 31, 2022 (in thousands):

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	<b>March 31, 2022</b>
Year Ending December 31:	
Remainder of 2022	\$ 637
2023	6,617
2024	10,406
2025	4,210
Total payments due	21,870
Less:	
Interest payments, loan discounts and financing costs	(2,092)
Current portion, less loan discounts and financing costs	—
Notes payable	\$ 19,778

Total interest cost incurred for the three months ended March 31, 2022 and 2021 was \$0.2 million and \$0.4 million, respectively.

**(10) Stock Compensation Plans**

*Stock-based compensation*

Stock-based compensation related to the Company's stock-based awards was recorded as an expense and allocated as follows (in thousands):

	<b>Three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Cost of sales	\$ 51	\$ 42
Research and development	1,581	1,061
General and administrative	2,211	1,372
Sales and marketing	1,550	2,019
Total stock-based compensation	\$ 5,393	\$ 4,494

Stock-based compensation capitalized in inventory was not material as of March 31, 2022 and December 31, 2021.

On March 10, 2022, the Company granted the newly appointed Chief Executive Officer of the Company 1,017,177 RSUs, 339,059 stock options and 678,118 performance-based stock options ("PSOs"). The RSUs and stock options vest quarterly over 3 years and the stock options have a 10 year term.

The PSOs have a 7-year performance period, a 10-year term and vest based upon certain market conditions and a continued service-based requirement. Market condition-related vesting is triggered based on the Company's stock price reaching certain goals that range from two to 20 times the Company share price on the date of grant.

Although no awards will vest until a market condition is satisfied, as of March 31, 2022 the Company began recording stock-based compensation expense for each vesting tranche based on the estimated achievement date of the specified stock price target. The valuation and probability of achievement for each tranche is determined using a Monte Carlo simulation. The same Monte Carlo simulation is used as the basis for determining the expected achievement date. As the probability of achievement is factored in as part of the Monte Carlo simulation, the expense for these tranches will be recognized concurrently over each tranche's estimated achievement date even if some or all of the options never vest. If the related market condition for a tranche is achieved earlier than

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expected, all unamortized expense for such tranche will be recognized immediately. As of March 31, 2022, none of the PSOs had vested.

**(11) Income Taxes**

The Company's provision for income taxes was \$20 thousand and \$17 thousand, respectively, for the three months ended March 31, 2022 and 2021. For the three months ended March 31, 2022 and 2021, income from operations before taxes consisted of amounts related to U.S. operations and the Company's foreign operations. The Company maintains a full valuation allowance on its deferred tax assets, and intends to do so until there is sufficient evidence to support the reversal of all or some portion of these allowances.

**(12) Statements of Cash Flows**

The supplemental cash flow information consists of the following (in thousands):

	<b>Three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Cash paid for interest	\$ 137	\$ 337
<b><i>Non-cash investing and financing activities</i></b>		
Inventory transferred to property and equipment (1)	\$ —	\$ 2,813
Change in accounts payable and accrued liabilities related to purchases of property and equipment	\$ (482)	\$ 751

(1) The non-cash transfer of inventory to property and equipment principally relates to Beacons that were transferred to the Company's BioFoundry operations in the first and second quarter of 2021. As a result of the growth of the Company's BioFoundry operations, including growth in the number of Beacons used to fulfill strategic partnerships and services agreements, beginning in the third quarter of 2021, Beacons that at inception are planned to be used in the Company's BioFoundry operations will be categorized as "Purchase of property and equipment."

**(13) Commitments and Contingencies**

***Legal Proceedings***

From time to time, the Company may be involved in legal and administrative proceedings and claims of various types. The Company records a liability in its financial statements for these matters when a loss is known and considered probable and the amount can be reasonably estimated. The Company does not recognize gain contingencies until they are realized. Legal costs incurred relating to loss contingencies are expensed as incurred.

***AbCellera Biologics Litigation***

In July 2020, AbCellera Biologics Inc. ("AbCellera") filed a complaint in the United States District Court for the District of Delaware, alleging that the Company infringed and continues to infringe, directly and indirectly, the following patents exclusively licensed by AbCellera by making, using, offering for sale, selling and/or importing the Company's Beacon and Culture Station instruments and the OptoSelect chips, and sale of the Opto Plasma B Discovery Workflow: U.S. Patent Nos. 10,107,812, 10,274,494, 10,466,241, 10,578,618, 10,697,962, 10,087,408, 10,421,936 and 10,704,018 ("AbCellera I").

In August 2020, AbCellera filed a second complaint in the United States District Court for the District of Delaware, making the same allegations with regard to U.S. Patent Nos. 10,718,768, 10,738,270, 10,746,737, and 10,753,933 ("AbCellera II"). In September 2020, AbCellera filed amended complaints in each of AbCellera I and AbCellera II adding The University of British Columbia ("UBC") as a named plaintiff. Also in September 2020, AbCellera and UBC filed a third complaint in the United States District Court for the District of Delaware,

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making the same allegations with regard to U.S. Patent Nos. 10,775,376, 10,775,377, and 10,775,378 (“AbCellera III”). AbCellera and UBC are seeking, among other things, judgment of infringement, a permanent injunction and damages (including lost profits, a reasonable royalty, reasonable costs and attorney’s fees and treble damages for willful infringement). In addition to procedural motions, the Company has filed an answer and counterclaims in response to each of the AbCellera I, AbCellera II and AbCellera III lawsuits. The Company’s counterclaims in each lawsuit include counts for declaratory judgment of non-infringement of the asserted patents, for declaratory judgment of invalidity of the asserted patents and for declaratory judgment of unenforceability of the asserted patents due to inequitable conduct. The Company filed a motion to transfer the AbCellera I, AbCellera II and AbCellera III lawsuits to the United States District Court for the Northern District of California, which was granted and where the lawsuits have been consolidated and are now pending (the “consolidated lawsuit”). On May 6, 2021, and pursuant to Court Order, AbCellera and UBC reduced, without prejudice, the asserted patents in the consolidated lawsuit to the following: US Patent Nos. 10,087,408, 10,421,936, 10,738,270, 10,697,962, 10,753,933, 10,775,376 and 10,775,378.

On July 1, 2021, the court granted the Company’s motion to amend its answer and counterclaims to add federal and state unfair competition counterclaims against AbCellera Biologics; on July 22, 2021, the Company filed its amended answer and counterclaims. Also on July 1, 2021 the court issued a Case Management Order that, among other things, requires AbCellera and UBC to reduce the number of asserted patents to no more than two, and the total asserted patent claims to no more than four per patent prior to the trial.

Also in July 2021, the Company filed petitions for Inter Partes Review (“IPR”) with the United States Patent & Trademark Office (“USPTO”), challenging the validity of various asserted claims of U.S. Patent No. 10,087,408 and all asserted claims of U.S. Patent No. 10,421,936, then filed a motion in the district court to stay the consolidated lawsuit pending the outcome of the IPR proceedings. In August 2021, the Company filed a third petition for IPR with the USPTO, challenging the validity of all asserted claims of U.S. Patent No. 10,739,270. Also in August 2021, the court granted the Company’s motion to stay the consolidated AbCellera I, AbCellera II, and AbCellera III lawsuits pending the outcome of the IPR proceedings.

In January 2022, the Patent Trial and Appeal Board (“PTAB”) of the USPTO issued a decision instituting IPR on U.S. Patent No. 10,087,408 and a decision denying IPR on U.S. Patent No. 10,421,936. In February 2022, the PTAB issued a decision denying IPR on U.S. Patent No. 10,739,270.

In August 2020, the Company filed a complaint in the United States District Court for the Northern District of California against AbCellera and Lineage BioSciences, Inc., an entity previously acquired by AbCellera (“AbCellera IV”). The complaint included two counts of unfair competition and one count of a declaratory judgment of non-infringement of U.S. Patent No. 10,058,839. The Company was seeking, among other things, damages and a judgment of non-infringement. In October 2020, the Company filed an amended complaint asserting the same three counts and AbCellera and Lineage filed a motion to dismiss the amended complaint, which was granted, without prejudice, in part. In light of the Company’s amended answer and counterclaims in the consolidated lawsuits, which were amended to include its federal and state unfair competition claims as discussed above, in July 2021 the Company filed a notice of dismissal without prejudice in the AbCellera IV lawsuit, resulting in its termination.

The Company believes that the patent assertions by AbCellera and UBC are without merit and intends to defend itself vigorously. The Company also intends to proceed with its claims and counterclaims against AbCellera and UBC. Outcomes in litigation can be uncertain and it is possible a court may disagree with the Company’s positions. An adverse determination in these lawsuits could subject the Company to significant liabilities, require it to seek licenses from or pay royalties to AbCellera and/or UBC, or prevent it from manufacturing, selling or using certain of its products, any of which could have a material adverse effect on the Company’s business, financial condition, results of operations and prospects.

Securities Class Action

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In December 2021, Victor J. Ng filed a securities class action on behalf of all purchasers of Berkeley Lights common stock between July 17, 2020 and September 14, 2021, inclusive, alleging that the Company and certain of the Company's current and former senior executives had violated §§10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder (the "Securities Class Action"). The Company believes that the assertions in the Securities Class Action are without merit and intends to defend itself vigorously. Outcomes in litigation can be uncertain and it is possible a court may disagree with the Company's positions. An adverse determination in the Securities Class Action could subject the Company to significant liabilities, which could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

*Derivative Action*

In March 2022, Trung Nguyen filed a shareholder derivative complaint on behalf of nominal defendant Berkeley Lights, Inc., alleging that certain of the Company's current and former directors and certain of the Company's current and former senior executives breached their fiduciary duties to the Company. The complaint also alleged that certain of the Company's current and former directors and former senior executives used material, non-public information to improperly profit from the sale of Company stock, and that certain of the Company's current and former senior executives owe the Company contribution for violations of sections 10(b) and 21D of the Securities Exchange Act of 1934.

The Company is not currently involved in any other claims or legal actions, nor is management aware of any potential claims or legal actions, for which the ultimate disposition could have a material adverse effect on the Company's financial position, results of operations, or liquidity.

No provision has been made for litigation because the Company believes that it is not probable that a liability had been incurred as of March 31, 2022.

***Product Warranty***

The Company provides a 13-month assurance-type warranty, generally beginning on the shipment date, on its platforms and chip consumables. The table below represents the activity in the product warranty accrual included in accrued expenses and other current liabilities on the condensed consolidated balance sheets (in thousands):

	<b>Three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Balance, beginning of period	\$ 1,085	\$ 1,271
Adjustments to existing warranties	(245)	(218)
Provision for new warranties	163	375
Settlement of pre-existing warranties	(89)	(160)
Balance, end of period	<u>\$ 914</u>	<u>\$ 1,268</u>

**(14) Net Loss Attributable to Common Stockholders Per Share**

Potentially issuable shares of common stock include shares issuable upon the exercise of outstanding employee stock option awards. Awards granted with performance conditions are excluded from the shares used to compute diluted earnings per share until the performance conditions associated with the awards are met.

The following table sets forth the computation of basic and diluted earnings per common share (in thousands, except share and per share data):

**Berkeley Lights, Inc.**  
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	<b>Three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>Numerator</b>		
Net loss attributable to common stockholders, basic and diluted	\$ (21,426)	\$ (15,435)
<b>Denominator</b>		
Weighted-average shares used to compute net income per share, basic and diluted	67,697,488	65,259,398
<b>Net loss per share</b>		
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.32)	\$ (0.24)

Since the Company was in a loss position for all periods presented, basic net loss per share attributable to common stockholders is the same as diluted net loss per share attributable to common stockholders, as the inclusion of all potential shares of common stock outstanding would have been anti-dilutive. The following weighted-average common stock equivalents were excluded from the calculation of diluted net loss per share attributable to common stockholders for the periods presented as they had an anti-dilutive effect:

	<b>Three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Options to purchase common stock	7,020,591	8,399,147
Restricted stock units	3,629,310	356,725
<b>Total</b>	<b>10,649,901</b>	<b>8,755,872</b>

**(15) Segments**

Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. The Company's chief operating decision maker is its Chief Executive Officer. The Company has one business activity and there are no segment managers who are held accountable for operations. Accordingly, the Company has one operating segment. The Company's principal operations and decision-making functions are located in the United States.

The following table provides the Company's revenues by geographical market based on the location where the services were provided or to which product was shipped (in thousands):

	<b>Three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
North America	\$ 13,715	\$ 7,362
Asia Pacific (1)	5,035	8,431
Europe	1,456	2,835
<b>Total</b>	<b>\$ 20,206</b>	<b>\$ 18,628</b>

(1) Asia Pacific includes Australia.

As of March 31, 2022 and December 31, 2021, substantially all of the Company's long-lived assets were located in the United States.

## **Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.**

### **Special Note Regarding Forward-Looking Statements**

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 concerning our business, operations and financial performance and condition, as well as our plans, objectives and expectations for our business, operations and financial performance and condition. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “aim,” “anticipate,” “assume,” “believe,” “contemplate,” “continue,” “could,” “due,” “estimate,” “expect,” “goal,” “intend,” “may,” “objective,” “plan,” “predict,” “potential,” “positioned,” “seek,” “should,” “target,” “will,” “would” and other similar expressions that are predictions of or indicate future events and future trends, or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words.

Forward-looking statements are based on management’s current expectations, estimates, forecasts and projections about our business and the industry in which we operate, and management’s beliefs and assumptions are not guarantees of future performance or development and involve known and unknown risks, uncertainties and other factors that are in some cases beyond our control. As a result, any or all of our forward-looking statements in this Quarterly Report on Form 10-Q may turn out to be inaccurate. Furthermore, if the forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all.

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 Quarterly Report on Form 10-Q, 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 investors are cautioned not to unduly rely upon these statements.

You should read the following discussion of our financial condition and results of operations in conjunction with our unaudited condensed financial statements and the related notes and other financial information included elsewhere in this Quarterly Report on Form 10-Q and our audited consolidated financial statements and notes thereto and management’s discussion and analysis of financial condition and results of operations for the fiscal year ended December 31, 2021 included in Annual Report on Form 10-K and filed with the Securities and Exchange Commission (the “SEC”) on February 28, 2022. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those discussed in Item 1A. “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2021, elsewhere in this Quarterly Report on Form 10-Q, and our other reports filed with the SEC.

#### **Overview**

Berkeley Lights is a leading Digital Cell Biology company focused on enabling and accelerating the rapid development and commercialization of biotherapeutics and other cell-based products. The Berkeley Lights Platform captures deep phenotypic, functional and genotypic information for thousands of single cells in parallel and can also deliver the live biology customers desire in the form of the best cells. This is a new way to capture and interpret the qualitative language of biology and translate it into single-cell specific digital information, referred to as Digital Cell Biology. We currently focus on enabling the large and rapidly growing markets of antibody therapeutics, cell therapy, gene therapy, agricultural biology and synthetic biology with our platform.

The Berkeley Lights Platform can be used to characterize the performance of cells relevant to the desired cell-based product early in the discovery process and then connect this phenotypic data to the genetic code for each

cell. In contrast, current genomic technologies find sequences first and fail to deliver the functional information early in the process. Performing functional validation early means letting poorly performing cells fail early while rapidly advancing the best candidates forward, before incurring significant research and development expense. Our platform repeats this process of fail and advance many times throughout the process, delivering the best cells for what we believe will deliver the best product.

Our platform is a fully integrated, end-to-end solution, comprised of advanced automation systems, proprietary consumables, including our OptoSelect chips and reagent kits, and advanced application and workflow software. Customers load onto our system their live cell samples, as well as media and reagents, then the cells are imported onto our OptoSelect chips where integrated workflows are performed to assess specific cell functions and attributes. Our platform captures and delivers rich single-cell data to find the best cells. Our platform leverages our proprietary OptoElectro Positioning (“OEP”) technology, which enables deterministic positioning of living single cells and other micro-objects using light. OEP is a core technology of our platform and allows for a high level of control over live single cells or other micro-objects throughout the functional characterization process.

Our commercial workflows, each of which are distinct offerings, are made up of four modules we call Import, Culture, Assay and Export. These modules can be adapted, interchanged and deployed with a variety of single-cell assays to address specific applications and a variety of cell types. We believe this versatility facilitates rapid development of new workflow offerings and virtually unlimited workflow commercialization opportunities. We have developed and will continue to develop and commercialize proprietary workflows across large markets by leveraging existing workflows and assays. Over time, our goal is to enable customers to standardize many of their processes on our platform utilizing our workflows. We believe we are the only company commercializing a platform that can do this in a scalable way.

We commercially launched our platform in December of 2016, which included the Beacon system and the alpha version of our Opto Cell Line Development 1.0 workflow, targeted to the antibody therapeutics market. From the initial launch of our platform through March 31, 2022, we have commercially launched ten workflows. In June of 2019, we launched our desktop Lightning system targeted for assay development and lower throughput workflows, and in early 2020 we launched our Culture Station instrument.

We focus a substantial portion of our resources on platform, workflow and assay development, as well as on business development and sales and marketing. Our research and development efforts are primarily focused on developing new workflows and assay capabilities, as well as new advanced systems and OptoSelect chips and reagent kits, to meet both our customers’ needs and to address new markets.

We generally outsource all of our production manufacturing. Design work, prototyping and pilot manufacturing are performed in-house before outsourcing to third party contract manufacturers. Our outsourced production strategy is intended to drive cost leverage and scale, and avoid the high capital outlays and fixed costs related to constructing and operating a manufacturing facility. The contract manufacturers of our systems are located in the United States. Contract manufacturers for reagent kits and OptoSelect chip components are located in the United States, Asia and Europe. Certain of our suppliers of components and materials are single source suppliers. We perform final manufacture and assembly steps of our OptoSelect chips in-house.

Our customer base includes several of the largest biopharmaceutical companies in the world, as well as biotechnology companies, leading contract research organizations, synthetic biology companies and academic institutions. While we have seen significant growth in our customer and installed base, we believe we are still in the very early stages of platform adoption, with the majority our historical revenue derived from early adopters of our technology for research and development purposes.

We have financed our operations primarily from the issuance and sale of equity securities, borrowings under our long-term debt agreement, and to a lesser extent from cash generated by product and service sales. On July 21, 2020, we closed our initial public offering (the “IPO”), in which we sold 9,315,000 shares of common stock

(which included 1,215,000 shares that were sold pursuant to the full exercise of the IPO underwriters' option to purchase additional shares) at a price to the public of \$22.00 per share. We received aggregate net proceeds of \$187.9 million after deducting, offering costs, underwriting discounts and commissions of \$17.0 million.

Since our inception in 2011, we have incurred net losses in each year. Our net losses were \$21.4 million and \$15.4 million for the three months ended March 31, 2022 and 2021, respectively. As of March 31, 2022, we had an accumulated deficit of \$285.0 million and cash and cash equivalents totaling \$164.7 million. We expect to continue to incur significant expenses and operating losses for the foreseeable future.

Certain of our financial results and other key operational developments for the three months ended March 31, 2022 include the following:

- Total revenue for the three months ended March 31, 2022 was \$20.2 million compared to \$18.6 million for the same period in 2021.
- Gross profit in absolute dollars and gross margin for the three months ended March 31, 2022 increased compared to the same period in 2021.

### **COVID-19 Update**

The COVID-19 pandemic has had, and continues to have, a significant impact around the world, prompting governments and businesses to take unprecedented measures, including temporary closures of businesses, quarantines and shelter in place orders. Pandemic related lockdowns in China throughout the first quarter of 2022 adversely impacted the operation of our office in Shanghai which is where the majority of our employees in our Asia Pacific region reside. During the three months ended March 31, 2022, our production, shipping and customer service functions have remained operational to maintain a continuous supply of products both to our customers and for our internal research and development activities. We continue to closely monitoring global supply issues around materials, parts and components, including plastics and integrated circuit chips, and we have not experienced any material supply issue to date. The ultimate impact of COVID-19 on our operations and financial performance in future periods remains uncertain and will depend on many factors outside our control, including the timing, extent, trajectory and duration of the pandemic, the emergence of new variants, the development, availability, distribution and effectiveness of vaccines and treatments, and related government actions to prevent and manage disease spread, all of which are uncertain and cannot be predicted. Refer to Part I, Item 1A of our 2021 Form 10-K under the heading "Risk Factors" for more information.

### **Components of results of operations**

#### ***Revenue***

Our revenue consists of both product revenue and service revenue, which is generated through the following revenue streams: (i) direct platform sales, (ii) recurring revenue, and (iii) strategic partnerships and services agreements. Sales of advanced automation systems, recurring revenue from consumables, workflow subscription agreements, and workflow licenses are defined as product revenue, and revenue from strategic partnership and services agreements and extended or enhanced warranty contracts, feasibility studies and platform support are defined as service revenue in our consolidated results of operations. We launched our Tech Access subscription model in June 2021.

The following tables provide an overview of our revenue streams and how we report revenue in our consolidated statements of operations and comprehensive loss (in thousands):

Income Statement Classification	Product or Service sold	Revenue Stream
<b>Product revenue</b>	Sale of advanced automation system (Beacon and Lightning system, Culture Station)	Direct platform sales
	Software	Direct platform sales
	Fixed term sales-type lease arrangements with qualified customers	Direct platform sales
	Annual renewable workflow licenses, quarterly workflow subscriptions, annual or multi-year subscriptions arrangements (e.g. TechAccess)	Recurring revenue
	Consumables and reagent kits (e.g. OptoSelect chips)	Recurring revenue
<b>Service revenue</b>	Strategic partnerships, joint development and collaboration agreements where we provide services for development of new workflows, cells or organism types	Strategic partnerships and services
	Application support, installation and training	Direct platform sales
	Fixed fee extended warranty and service programs	Recurring revenue

We renamed our joint development and partnership offering to strategic partnerships and services in the fourth quarter of 2021.

	Three months ended March 31, 2022		
	Product	Service	Total
<b>(in thousands)</b>			
Direct platform sales	\$ 6,747	\$ 657	\$ 7,404
Recurring revenue	3,027	2,416	5,443
Strategic partnerships and services	—	7,359	7,359
Total revenue	<u>\$ 9,774</u>	<u>\$ 10,432</u>	<u>\$ 20,206</u>

	<b>Three months ended March 31, 2021</b>		
	<b>Product</b>	<b>Service</b>	<b>Total</b>
<b>(in thousands)</b>			
Direct platform sales	\$ 10,586	\$ 530	\$ 11,116
Recurring revenue	2,947	1,447	4,394
Strategic partnerships and services	—	3,118	3,118
Total revenue	<u>\$ 13,533</u>	<u>\$ 5,095</u>	<u>\$ 18,628</u>

The following table provides information by revenue stream for the periods presented:

<b>(in thousands, except percentages)</b>	<b>Three months ended March 31,</b>			
	<b>2022</b>	<b>2021</b>	<b>Change</b>	<b>Change</b>
Direct platform sales	\$ 7,404	\$ 11,116	\$ (3,712)	(33)%
Recurring revenue	5,443	4,394	1,049	24 %
Strategic partnerships and services	7,359	3,118	4,241	136 %
Total revenue	<u>\$ 20,206</u>	<u>\$ 18,628</u>	<u>\$ 1,578</u>	<u>8 %</u>

#### **Costs of sales, gross profit and gross margin**

**Product cost of sales.** Cost of sales associated with our products primarily consists of manufacturing related costs incurred in the production process, including personnel and related costs, costs of component materials, labor and overhead, packaging and delivery costs and allocated costs, including facilities and information technology. These costs also include the costs associated with the standard assurance-type product warranty provided on our platforms, which are recorded at the time of sale.

**Service cost of sales.** Cost of sales associated with our services primarily consists of personnel and related costs, expenses related to the development of customized platforms and workflows, feasibility studies on our platforms and service and warranty costs to support our customers. We maintain continuous efforts to increase reliability and uptime of our advanced automation systems.

**Gross profit and gross margin.** Gross profit is calculated as revenue less cost of sales. Gross margin is gross profit expressed as a percentage of revenue. Our gross profit in future periods will depend on a variety of factors, including: market conditions that may impact our pricing; sales mix among platform access options, including the regional mix of sales; sales mix changes among consumables, advanced automation systems and services; product mix changes between established products and new products; excess and obsolete inventories; our cost structure for manufacturing operations relative to volume; and product warranty obligations. We expect cost of sales to increase in absolute dollars in future periods as our revenue grows, and as we plan to hire additional employees to support our manufacturing, operations, service and support organizations.

Gross profit was \$13.8 million and \$12.5 million for the three months ended March 31, 2022 and 2021, respectively.

#### **Operating expenses**

**Research and development.** Research and development costs primarily consist of salaries, benefits, incentive compensation, stock-based compensation, laboratory supplies, materials expenses and allocated facilities and IT costs for employees and contractors engaged in research and product development. We expense all research and development costs in the period in which they are incurred.

We plan to continue to invest in our research and development efforts, including hiring additional employees, to enhance existing products and develop new products. As a result, we expect that our research and development expenses will continue to increase in absolute dollars in future periods. We expect these expenses to vary from period to period as a percentage of revenue.

*General and administrative.* Our general and administrative expenses primarily consist of salaries, benefits and stock-based compensation costs for employees in our executive, accounting and finance, legal and human resource functions, as well as professional services fees, such as consulting, audit, tax and legal fees, general corporate costs and allocated overhead expenses. We expect that our general and administrative expenses will continue to increase in absolute dollars, primarily due to increased headcount to support anticipated growth in the business and due to incremental costs associated with operating as a public company. We expect these expenses to vary from period to period as a percentage of revenue.

*Sales and marketing.* Our sales and marketing expenses consist primarily of salaries, benefits, sales commissions and stock-based compensation costs for employees within our commercial sales functions, as well as marketing, travel expenses and allocated facilities and IT costs. We expect our sales and marketing expenses to increase in absolute dollars as we expand our commercial sales, marketing and business development teams, increase our presence globally and increase marketing activities to drive awareness and adoption of our platform. While these expenses may vary from period to period as a percentage of revenue, we expect these expenses to increase as a percent of sales in the short-term as we continue to grow our commercial organization to support anticipated growth in the business.

***Other income (expense)***

*Interest expense.* Interest expense consists primarily of interest related to borrowings under our debt obligations.

*Interest income.* Interest income primarily consists of interest earned on our cash and cash equivalents which are invested in cash deposits and in money market funds.

*Other income (expense), net.* Other income (expense), net consists primarily of foreign currency exchange gains and losses. Foreign currency exchange gains and losses relate to transactions and asset and liability balances denominated in currencies other than the U.S. dollar, primarily related to our operations in the United Kingdom and China. We expect our foreign currency gains and losses to continue to fluctuate in the future due to changes in foreign currency exchange rates.

***Provision for income taxes***

Our provision for income taxes consists primarily of foreign taxes and state taxes in the United States. The Company maintains a full valuation allowance on its deferred tax assets and intends to do so until there is sufficient evidence to support the reversal of all or some portion of these allowances. As we expand the scale and scope of our international business activities, any changes in taxation of such activities may increase our overall provision for income taxes in the future.

## Results of operations

The following tables set forth our results of operations for the periods presented:

(in thousands)	Three months ended March 31,	
	2022	2021
Revenue:		
Product revenue	\$ 9,774	\$ 13,533
Service revenue	10,432	5,095
Total revenue	20,206	18,628
Cost of sales:		
Product cost of sales	2,695	3,703
Service cost of sales	3,684	2,474
Total cost of sales <sup>(1)</sup>	6,379	6,177
Gross profit	13,827	12,451
Operating expenses:		
Research and development <sup>(1)</sup>	17,573	13,027
General and administrative <sup>(1)</sup>	11,716	8,967
Sales and marketing <sup>(1)</sup>	5,811	5,606
Total operating expenses	35,100	27,600
Loss from operations	(21,273)	(15,149)
Other income (expense):		
Interest expense	(224)	(354)
Interest income	34	66
Other income, net	57	19
Loss before income taxes	(21,406)	(15,418)
Provision for income taxes	20	17
Net loss and comprehensive loss	\$ (21,426)	\$ (15,435)

(1) Amounts include stock-based compensation as follows:

(in thousands)	Three months ended March 31,	
	2022	2021
Cost of sales	\$ 51	\$ 42
Research and development	1,581	1,061
General and administrative	2,211	1,372
Sales and marketing	1,550	2,019
Total stock-based compensation expense	\$ 5,393	\$ 4,494

## Comparison of the three months ended March 31, 2022 and 2021

### Revenue

(in thousands, except percentages)	Three months ended March 31,		Three month change	
	2022	2021	Amount	%
Product revenue	\$ 9,774	\$ 13,533	\$ (3,759)	(28 %)
Service revenue	10,432	5,095	5,337	105 %
Total revenue	<u>\$ 20,206</u>	<u>\$ 18,628</u>	<u>\$ 1,578</u>	<u>8 %</u>

Product revenue decreased by \$3.8 million, or 28%, for the three months ended March 31, 2022, compared to the three months ended March 31, 2021. The decrease was primarily driven by lower platform sales of \$2.1 million and lower revenue from lease arrangements of \$1.7 million. During the three months ended March 31, 2022, we sold four platforms as compared to eight platforms sold in the three months ended March 31, 2021.

Service revenue increased by \$5.3 million, or 105%, for the three months ended March 31, 2022, compared to the three months ended March 31, 2021. The increase was primarily driven by higher revenue associated with strategic partnerships and services agreements of \$4.2 million as a result of the execution of new customer agreements as well as an increase from sales in service warranty and application support arrangements of \$1.1 million.

Our product and service revenue can fluctuate from period to period as a result of, among other things, the timing of the sales cycles for our platforms, such as the Beacon and Lightning, as well as the timing of revenues recognized under our strategic partnership and services agreements.

### Cost of sales, gross profit and gross margin

(in thousands, except percentages)	Three months ended March 31,		Three month change	
	2022	2021	Amount	%
Product cost of sales	\$ 2,695	\$ 3,703	\$ (1,008)	(27 %)
Service cost of sales	3,684	2,474	1,210	49 %
Total cost of sales	<u>\$ 6,379</u>	<u>\$ 6,177</u>	<u>\$ 202</u>	<u>3 %</u>
Gross profit	\$ 13,827	\$ 12,451	\$ 1,376	11 %
Gross margin	68 %	67 %		

Product cost of sales decreased by \$1.0 million, or 27%, for the three months ended March 31, 2022, respectively, compared to the three months ended March 31, 2021, primarily as a result of lower product revenues.

Service cost of sales increased by \$1.2 million, or 49% for the three months ended March 31, 2022, respectively, compared to the three months ended March 31, 2021. The increase was primarily due to costs incurred for strategic partnerships and services agreements, as well as increased costs for extended warranty services as a result of the nature and timing of work performed under such arrangements.

Gross profit increased by \$1.4 million, or 11%, for the three months ended March 31, 2022 compared to the three months ended March 31, 2021. Gross margin increased by 1% for the three months ended March 31, 2022 compared to the three months ended March 31, 2021. The increase in gross margin was driven by the mix of products sold and services provided in the quarter, primarily due to the fact that the strategic partnerships and

services agreements we entered into in 2021 have a higher margin than our previous strategic partnership and services agreements.

## Operating expenses

### Research and development

(in thousands, except percentages)	Three months ended March 31,		Three month change	
	2022	2021	Amount	%
Research and development	\$ 17,573	\$ 13,027	\$ 4,546	35 %

Research and development expense increased by \$4.5 million, or 35%, for the three months ended March 31, 2022, compared to the three months ended March 31, 2021. The increase was due to a \$2.4 million increase in personnel-related expenses, including a \$0.5 million increase in stock-based compensation expense, primarily due to increased headcount as a result of our continued growth, as well as a \$2.1 million increase in other costs, which primarily represent testing and qualification materials and other costs related to various projects to develop and improve systems, workflows, consumables and assays.

### General and administrative

(in thousands, except percentages)	Three months ended March 31,		Three month change	
	2022	2021	Amount	%
General and administrative	\$ 11,716	\$ 8,967	\$ 2,749	31 %

General and administrative expense increased by \$2.7 million, or 31%, for the three months ended March 31, 2022, compared to the three months ended March 31, 2021. The increase was due to a \$1.6 million increase in personnel-related expenses, including a \$0.8 million increase in stock-based compensation expense, a \$1.1 million increase in other costs, primarily consisting of IT expenses, including software subscription fees, outside legal fees, including patent litigation and consulting fees.

### Sales and marketing

(in thousands, except percentages)	Three months ended March 31,		Three month change	
	2022	2021	Amount	%
Sales and marketing	\$ 5,811	\$ 5,606	\$ 205	4 %

Sales and marketing expense increased by \$0.2 million, or 4%, for the three months ended March 31, 2022, compared to the three months ended March 31, 2021. The increase was primarily due to a \$0.6 million increase in marketing, advertising and other costs, partially offset by a \$0.4 million decrease in personnel and related costs primarily as a result of lower stock-based compensation.

### *Interest expense*

<b>(in thousands, except percentages)</b>	<b>Three months ended March 31,</b>		<b>Three month change</b>	
	<b>2022</b>	<b>2021</b>	<b>Amount</b>	<b>%</b>
Interest expense	\$ 224	\$ 354	\$ (130)	(37 %)

Interest expense decreased by \$0.1 million, or 37%, for the three months ended March 31, 2022, compared to the three months ended March 31, 2021 as a result of refinancing our loan from East West Bank, which now carries a lower interest rate.

### *Interest income*

<b>(in thousands, except percentages)</b>	<b>Three months ended March 31,</b>		<b>Three month change</b>	
	<b>2022</b>	<b>2021</b>	<b>Amount</b>	<b>%</b>
Interest income	\$ 34	\$ 66	\$ (32)	(48 %)

Interest income resulted primarily from our cash and short-term deposits. The decrease was primarily due to lower interest received on our cash and short-term deposits due to lower average cash balances during the first quarter of 2022.

### *Other income (expense), net*

<b>(in thousands, except percentages)</b>	<b>Three months ended March 31,</b>		<b>Three month change</b>	
	<b>2022</b>	<b>2021</b>	<b>Amount</b>	<b>%</b>
Other income, net	\$ 57	\$ 19	\$ 38	200 %

Other income for the three months ended March 31, 2022 and 2021 was mainly comprised of foreign exchange gains and losses and other miscellaneous income.

### **Liquidity and capital resources**

As of March 31, 2022, we had approximately \$164.7 million in cash and cash equivalents which were primarily held in U.S. short-term bank deposit accounts and money market funds. Restricted cash of \$0.3 million serves as collateral for our corporate credit card program. We have generated negative cash flows from operations since inception through March 31, 2022.

We expect to incur additional operating losses in the foreseeable future as we continue to invest in the research and development of our product offerings, commercialize and launch platforms, and expand into new markets. Our future capital requirements will depend on many factors including our revenue growth rate, research and development efforts, the timing and extent of additional capital expenditures to invest in existing and new facilities as well as our manufacturing operations, the expansion of sales and marketing and the introduction of new products. Our future capital needs may also depend upon the impacts of the COVID-19 pandemic. We have and may in the future enter into arrangements to acquire or invest in businesses, services and technologies, and any such acquisitions or investments could significantly increase our capital needs.

Based on our current business plan, we believe our existing cash and cash equivalents and anticipated cash flows from operations will be sufficient to meet our working capital and capital expenditure needs over at least the next 12 months.

### **Sources of liquidity**

Since our inception, we have financed our operations primarily from the issuance and sale of our equity securities, borrowings under long-term debt agreements, and to a lesser extent, cash generated by product and service sales. In July 2020, we completed our IPO, resulting in the receipt of aggregate proceeds of \$187.9 million, net of offering costs, underwriter discounts and commissions of \$17.0 million.

#### **East West Bank Loan and Security Agreement**

On May 23, 2018, we entered into a Loan and Security Agreement with East West Bank (“EWB”) providing it the ability to borrow up to \$20.0 million. The loan facility was fully drawn as of May 23, 2018.

On June 30, 2021, we entered into an Amended and Restated Loan and Security Agreement (the “Agreement”) with EWB. Pursuant to the Agreement, EWB provided a \$20.0 million term loan (the “Term Loan”) which was used to refinance the term loan outstanding under the Loan and Security Agreement dated May 23, 2018. The Term Loan matures in 48 months and bears interest at a fixed rate of 4.17%. The Term Loan has an initial interest-only period of 24 months, which can be extended to up to 36 months based on the achievement of certain liquidity measures, and can be pre-paid without penalty at any time.

The Agreement grants EWB a security interest in and liens on all of our assets, excluding intellectual property, which is subject to a double negative pledge. In addition, certain other terms of the original agreements as previously in effect were amended by the Agreement, including certain financial covenants. The Amended and Restated Loan and Security Agreement was accounted for as a debt modification and we capitalized incremental debt issuance costs.

Furthermore, the Agreement also provided the Company with a new \$10.0 million revolving credit line (the “Revolving Line”), which bears interest on the outstanding daily balance thereof of 0.70% above the Prime Rate (as defined in the Agreement). No amount was outstanding under the Revolving Line as at March 31, 2022.

We were in compliance with all covenants under the Agreement as of March 31, 2022.

### **Cash flows**

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

<b>(in thousands)</b>	<b>Three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>Net cash (used in) provided by:</b>		
Operating activities	\$ (10,069)	\$ (11,360)
Investing activities	(4,375)	(402)
Financing activities	1,022	8,519
<b>Net decrease in cash and cash equivalents and restricted cash</b>	<b>\$ (13,422)</b>	<b>\$ (3,243)</b>

### **Operating activities**

Net cash used in operating activities of \$10.1 million for the three months ended March 31, 2022 was primarily due to a net loss of \$21.4 million, partially offset by non-cash adjustments of \$8.3 million, mainly consisting of stock-based compensation and depreciation expense and a net cash inflow from changes in our operating assets and liabilities of \$3.0 million, primarily due to a decrease in our accounts receivable.

Net cash used in operating activities of \$11.4 million for the three months ended March 31, 2021 was primarily due to a net loss of \$15.4 million and net cash outflows of \$2.3 million from changes in our net operating assets and liabilities, partially offset by non-cash charges of \$6.4 million, mainly consisting of stock-based

compensation and depreciation. Cash outflow from our net operating assets and liabilities was primarily due to a \$2.7 million increase in inventories resulting from an increase raw materials and finished goods to support revenue growth and anticipated demand, an increase of \$3.5 million in accounts receivable due to an increase in revenue and the timing of invoicing and a \$1.0 million increase in prepaid and other current assets resulting from the overall growth in our business and operations, partially offset by a \$5.7 million increase in deferred revenue and accounts payable due to the timing of advanced billings and revenue recognition as well as the timing of vendor invoicing and related payments.

### ***Investing activities***

Net cash used in investing activities was \$4.4 million during the three months ended March 31, 2022 compared to \$0.4 million in the three months ended March 31, 2021. Capital expenditures for the first quarter of 2022 include the expansion of our BioFoundry operations to support current and planned programs as well as leasehold improvements related to our new offices in Boston, Massachusetts. Capital expenditures for the three months ended March 31, 2021, exclude a \$2.8 million non-cash transfer of Beacons that were purchased into inventory and later transferred to property and equipment. As a result of the growth of our BioFoundry operations, including growth in the number of Beacons used to fulfill strategic partnerships and services agreements, beginning in the third quarter of 2021, Beacons that at inception are planned to be used in our BioFoundry operations are categorized as “Purchase of property and equipment.”

### ***Financing activities***

Net cash provided by financing activities was \$1.0 million during the three months ended March 31, 2022 compared to \$8.5 million for the three months ended March 31, 2021. Net cash provided by financing activities during the three months ended March 31, 2022 and March 31, 2021 related to proceeds received from the issuance of common stock upon the exercise of stock options as well as proceeds received related to the issuance of common stock under our employee stock purchase plan.

### ***Concentration of credit risk***

Most of the Company’s customers are located in the United States and Asia Pacific. For the three months ended March 31, 2022, three customers accounted for 18%, 13% and 10% of revenue. For the three months ended March 31, 2021, two customers accounted for 11%, and 10% of revenue.

As of March 31, 2022, four customers comprised 22%, 14%, 11% and 10% of accounts receivable. As of December 31, 2021, three customers accounted for 15%, 11% and 11% of accounts receivable.

### ***Contractual obligations and commitments***

There have been no material changes to our contractual obligations as of March 31, 2022, as compared to those disclosed in the Annual Report on Form 10-K for the year ended December 31, 2021.

### ***Off-balance sheet arrangements***

We do not have, and did not have during the periods presented, any off-balance sheet financing arrangements or any relationships with unconsolidated entities or financial partnerships, including entities sometimes referred to as structured finance or special purpose entities, that were established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

### ***Critical accounting policies and estimates***

We have prepared our condensed consolidated financial statements in accordance with United States generally accepted accounting principles. Our preparation of these condensed consolidated financial statements requires us to make estimates, assumptions and judgments that affect the reported amounts of assets, liabilities, revenue,

expenses and related disclosures. We evaluate our estimates on an ongoing basis. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results could therefore differ materially from these estimates under different assumptions or conditions.

There have been no significant changes in our critical accounting policies and estimates as compared to the critical accounting policies and estimates disclosed in the section titled “Management’s Discussion and Analysis of Financial Condition and Operations” included in our Annual Report on Form 10-K for the year ended December 31, 2021 filed with the SEC on February 28, 2022, with the following exceptions.

### ***Stock-Based Compensation***

We maintain an incentive compensation plan under which incentive stock options and restricted stock units (“RSU”) are granted to employees and non-employee consultants.

Stock-based compensation expense is based on the grant date fair value of the award. We determine the fair value of RSUs based on the closing value of our stock price listed on the Nasdaq at the date of the grant.

We estimate the fair value of the majority of stock option awards on the grant date using the Black-Scholes option-pricing model. For option awards that include a performance goal tied to the Company share price (i.e. a market condition) we use a Monte Carlo simulation to estimate the fair value.

The fair value of stock option and RSUs with only a service condition is recognized as compensation expense on a straight-line basis over the requisite service period in which the awards are expected to vest and forfeitures are recognized as they occur.

Stock options and RSUs that include a service condition and a performance condition are considered expected to vest when the performance condition is probable of being met. Compensation expense associated with performance awards that are determined to be probable of achievement is recognized over the requisite service period on a tranche-by-tranche basis.

For performance stock options and awards not initially assessed as probable of achievement, we record a cumulative adjustment to compensation expense in the period we change our determination that a performance condition becomes probable of being achieved. We cease recognition of compensation expense in any periods where we determine the attainment of a performance condition is no longer probable. If the performance goals are determined to be improbable, any previously recognized compensation expense is reversed.

The fair value of stock options with a market condition is recognized over the requisite service period for each tranche of the award and is recognized regardless of whether (or to what extent) the market condition is ultimately achieved.

### **Item 3. Quantitative and Qualitative Disclosures about Market Risk.**

#### ***Interest rate risk***

*Customer financing exposure.* We are indirectly exposed to interest rate risk because many of our customers depend on debt financings to purchase our platforms and systems. An increase in interest rates could make it challenging for our customers to obtain the capital necessary to make such purchases on favorable terms, or at all. Such factors could reduce demand or lower the price we can charge for our platforms and systems, thereby reducing our net sales and gross profit.

*Bank deposit and money market exposure.* As of March 31, 2022, we had cash and cash equivalents, including restricted cash, of \$164.9 million, which consisted primarily of money market funds and bank deposits. The primary objective of our investment is to preserve principal and provide liquidity. These money market funds and bank deposits generate interest income at variable rates below 1%. A hypothetical 100 basis point decrease in interest rates would have no material effect on our interest income and financial results.

#### **Foreign currency risk**

Through March 31, 2022, we did not generate any revenue denominated in foreign currencies. While we incur certain expenses in foreign currencies, especially related to our foreign offices, the impact of changes in exchange rates has been immaterial as of March 31, 2022 for these expenses. As we expand our presence in international markets, to the extent we are required to enter into agreements denominated in a currency other than the US dollar, our results of operations and cash flows may increasingly be subject to fluctuations due to changes in foreign currency exchange rates and may be adversely affected in the future due to changes in foreign exchange rates. To date, we have not entered into any hedging arrangements with respect to foreign currency risk. As our international operations grow, we will continue to reassess our approach to manage our risk relating to fluctuations in currency rates.

### **Item 4. Controls and Procedures.**

#### **Evaluation of Disclosure Controls and Procedures**

We carried out an evaluation, under the supervision and with the participation of management, including our principal executive officer and principal financial officer, of the effectiveness of our “disclosure controls and procedures” as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Based on that evaluation, our principal executive officer and principal financial officer concluded that as of March 31, 2022 our disclosure controls and procedures were effective at a reasonable assurance level to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

#### **Changes in Internal Control over Financial Reporting**

We also carried out an evaluation, under the supervision and with the participation of management, including our principal executive officer and principal financial officer, of our “internal control over financial reporting” to determine whether any changes in our internal control over financial reporting occurred during the three months ended March 31, 2022 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Based on that evaluation, there were no such changes in our internal control over financial reporting that occurred during the three months ended March 31, 2022.

#### **Limitations on the Effectiveness of Controls**

Control systems, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control systems’ objectives are being met. Further, the design of any system of controls must reflect the fact that there are resource constraints, and the benefits of all controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within our Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of error or mistake. Control systems can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there

can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with policies or procedures.

## Part II. OTHER INFORMATION.

### Item 1. Legal Proceedings.

See Note 13, “Commitments and Contingencies” under the heading “Legal Proceedings” in the Notes to the Unaudited Condensed Consolidated Financial Statements included in Part 1, Item 1 of this Quarterly Report on Form 10-Q for legal proceedings and related matters.

### Item 1A. Risk Factors.

Factors that could cause or contribute to differences in our future financial and operating results include those discussed in the risk factors set forth in our Annual Report on Form 10-K filed with the SEC on February 28, 2022. The risks described in our Form 10-K and this Report are not the only risks that we face. Additional risks not presently known to us or that we do not currently consider significant may also have an adverse effect on the Company. If any of the risks actually occur, our business, results of operations, cash flows or financial condition could suffer.

There have been no material changes to the risk factors set forth in the Annual Report on Form 10-K filed with the SEC on February 28, 2022.

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

#### *Sale of Unregistered Securities*

There were no unregistered sales of the Company's equity securities during the three months ended March 31, 2022.

#### *Use of Proceeds from our IPO*

On July 21, 2020, we closed our IPO, in which we issued and sold 9,315,000 shares of our common stock, including the full exercise of the underwriters' over-allotment option, at a public offering price of \$22.00 per share for aggregate offering proceeds of \$204.9 million. All of the shares of common stock issued and sold in the offering were registered under the Securities Act of 1933, as amended, pursuant to a registration statement on Form S-1 (File No. 333-239487), which was declared effective by the SEC on July 16, 2020.

Cash used since the IPO is described elsewhere in the “Management's Discussion and Analysis of Financial Condition and Results of Operations” section of our periodic reports filed with the SEC. As of the date of this filing, there has been no material change in the planned use of proceeds from our IPO as described in the final prospectus for our IPO dated July 16, 2020 filed with the SEC on July 17, 2020.

### Item 3. Defaults Upon Senior Securities.

Not applicable.

### Item 4. Mine Safety Disclosures.

Not applicable.

### Item 5. Other Information.

None.

## Item 6. Exhibits.

The following exhibits are filed with this Quarterly Report on Form 10-Q:

Exhibit Number	Exhibit Title	Incorporated by Reference				Filed Herewith
		Form	File No.	Exhibit	Filing Date	
<a href="#">3.1</a>	<a href="#">Amended and Restated Certificate of Incorporation of Berkeley Lights, Inc.</a>	8-K	001-39388	3.1	7/21/2020	
<a href="#">3.2</a>	<a href="#">Amended and Restated Bylaws of Berkeley Lights, Inc.</a>	8-K	001-39388	3.2	7/21/2020	
<a href="#">10.1</a>	<a href="#">Transition and Separation Agreement by and between Berkeley Lights, Inc. and Eric Hobbs</a>	8-K	001-39388	10.1	3/2/2022	
<a href="#">10.2</a>	<a href="#">Transition and Separation Agreement by and between Berkeley Lights, Inc. and Kurt Wood</a>					X
<a href="#">10.3</a>	<a href="#">Employment Agreement by and between Berkeley Lights and Siddhartha Kadia</a>					X
<a href="#">10.4</a>	<a href="#">Change in Control and Severance Agreement by and between Berkeley Lights and Siddhartha Kadia</a>					X
<a href="#">31.1</a>	<a href="#">Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>					X
<a href="#">31.2</a>	<a href="#">Certification of Principal Financial and Accounting Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</a>					X
<a href="#">32.1*</a>	<a href="#">Certification of Principal Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>					X
<a href="#">32.2*</a>	<a href="#">Certification of Principal Financial and Accounting Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>					X
101.INS	XBRL Instance Document.					X
101.SCH	XBRL Taxonomy Extension Schema Document.					X
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document					X
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.					X
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.					X
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.					X
104	Cover Page Interactive Data File - formatted in Inline XBRL and included as Exhibit 101					X

\*This exhibit shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in such filings

**Signatures**

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

**Berkeley Lights, Inc.**

Date: 5/9/2022

By: /s/ J. Paul McClaskey  
J. Paul McClaskey  
Chief Accounting Officer  
(Authorized Signatory and Principal Financial Officer)

## EXHIBIT 10.2

### TRANSITION AND RELEASE AGREEMENT

This Transition and Release Agreement (the “**Agreement**”) is entered into by and between Kurt Wood (“**Employee**”) and Berkeley Lights, Inc. (the “**Company**”), dated as of March 8, 2022 (the “**Agreement Date**”) and effective as of the eighth (8<sup>th</sup>) day following the date on which Employee signs this Agreement if not revoked in accordance with Section 6(g) below (the “**Effective Date**”). The purpose of this Agreement is to provide separation pay to ease Employee’s transition related to the Company and to settle and resolve any and all disputes and controversies of any nature existing between Employee and the Company, including, but not limited to, any claims arising out of Employee’s employment with, and transition related to, the Company.

#### 1. Separation and Transition of Services.

(a) *Separation.* Employee’s last day of employment with the Company shall be April 1, 2022 (the “**Separation Date**”). Effective as of the Separation Date, Employee’s employment with the Company and all of its affiliates and status as an officer of the Company and all of its affiliates shall terminate and Employee shall cease to be an employee and an officer of all of the foregoing.

(b) *Consulting Services.* During the period (the “**Consulting Period**”) commencing on the Separation Date and ending on the later of (i) April 30, 2022 or (ii) if the Company’s first quarter earnings release has not been previously issued, May 8, 2022, or unless terminated earlier by the Company or Employee for any reason, (the “**Consulting End Date**”), Employee shall be available to provide services to the Company and its affiliates, on a non-exclusive and part-time basis, as a consultant and shall provide such reasonable services as may be requested by the Company or its affiliates (the “**Transition Services**”). During the Consulting Period, Employee may become an employee or consultant of any other company, *provided*, that Employee acknowledges and agrees that, during the Consulting Period, Employee shall not, directly or indirectly, become employed by or provide assistance to any commercial oriented life- sciences company. During the Consulting Period, Employee reaffirms his commitment to remain in compliance with the Confidentiality Agreement (as defined below), it being understood that the term “employment” as used in the Confidentiality Agreement shall include services as a consultant hereunder. If Employee violates the previous sentence, this Agreement and the Consulting Period shall be terminated immediately and the Employee shall have no further right or entitlement to the continued vesting of the Equity Award (as defined below).

(c) *Consulting Fee.* In exchange for the performance of the performance of the Transition Services during the Consulting Period, subject to Consultant continuing to provide the Transition Services through the Consulting End Date and Employee’s continued compliance with the terms and conditions of this Agreement and the Confidentiality Agreement, the Company shall pay to Employee an amount in cash equal to \$50,000. Such amount shall be payable to Employee in two installments of \$25,000, with the first installment to be paid on or within five days following April 15, 2022 and the second installment to be paid on or within five days following the Consulting End Date.

(d) *Return of Company Property.* Employee represents and warrants that he shall, prior to the Consulting Period End Date, return to the Company any and all property and equipment of the Company, including (i) all keys, files, lists, books and records (and copies thereof) of, or in connection with, the Company’s business, equipment (including, but not limited to, computer hardware, software and printers, wireless handheld devices, cellular phones and pagers), access or credit cards, Company identification, and all other property belonging to the Company in Employee’s possession or control, and (ii) all documents and copies, including hard and electronic copies, of documents in Employee’s possession relating to any confidential information, including without limitation, internal and external business forms, manuals, correspondence, notes and computer programs, and that Employee shall not make or retain any

copy or extract of any of the foregoing. To ensure the foregoing, prior to or on the Consulting Period End Date, Employee shall make available to the Company all devices, including cellular phones and laptop computers, and other property that may include Company confidential information, so that the Company has the prior opportunity to review, redact and/or retain any such documents containing confidential information on such devices.

(e) *Equity Awards.* As of the Separation Date, Employee will hold options to purchase those shares of Company common stock and Company restricted stock units pursuant to the Company's equity incentive plans and the individual agreements evidencing such grants (collectively, the "**Equity Awards**"). In exchange for the performance of the Transition Services, during the Consulting Period, the Equity Awards shall continue to vest and, if applicable, become exercisable in accordance with their amended vesting schedules as provided in Section 3 below). Upon the Consulting End Date, Employee's Equity Awards shall cease vesting and any unvested shares as of such date shall automatically terminate. Employee acknowledges that each unexercised "incentive stock option" within the meaning of the Internal Revenue Code of 1986, as amended, including the Acceleration Options, that remains unexercised following the three (3)-month anniversary of the Separation Date shall no longer qualify for favorable tax treatment as an incentive stock option.

(f) *Benefits.* As an independent contractor, Employee understands and agrees that, while performing any services for the Company or its affiliates after the Separation Date, Employee shall not be eligible to participate in or accrue benefits under any Company benefit plan for which status as an employee of the Company is a condition of such participation or accrual. To the extent that Employee was deemed eligible to participate, as an employee, in any Company benefit plan, he hereby waives his participation. Following the Separation Date, the Company shall notify Employee of any right to continue group health plan coverage sponsored by the Company or an affiliate of the Company pursuant to the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("**COBRA**"), which Employee may elect to receive at Employee's expense in accordance with the provisions of COBRA.

(g) *Independent Contractor Status.* Employee and the Company acknowledge and agree that, during the Consulting Period, Employee shall be an independent contractor. During the Consulting Period and thereafter, Employee shall not be an agent or employee of the Company and shall not be authorized to act on behalf of the Company. Employee agrees to indemnify and hold the Company and the other entities released herein harmless for any tax claims or penalties resulting from any failure by Employee to make required personal income and self-employment tax payments.

2. Accrued Obligations. Upon the Separation Date, the Company will pay to Employee (i) all accrued salary, and (ii) all accrued, unused paid time off through the Separation Date, and (iii) any unreimbursed business expenses incurred by Employee, in accordance with Company policy, prior to the Separation Date (collectively, the "**Accrued Obligations**"). Employee agrees that prior to the Separation Date, Employee has submitted Employee's final documented expense reimbursement statement reflecting all business expenses Employee incurred through the Separation Date, if any, for which Employee seeks reimbursement. Employee is entitled to these payments regardless of whether Employee executes this Agreement. For the avoidance of doubt, Employee shall not be eligible to receive any bonus payment for his service for the year in which the Separation Date occurs.

3. Separation Benefits. In consideration of, and subject to and conditioned upon (i) Employee's timely execution and non-revocation of this Agreement and (ii) Employee's continued compliance with the terms and conditions of this Agreement and the Confidentiality Agreement, the Company shall pay to Employee an amount equal to a pro-rata portion of his annual bonus for the first quarter of calendar year 2022, based on achievement of the performance goals at target (whereby Employee's target annual bonus for 2022 was based on 50% of his annual base salary). Such payment,

shall be paid, less applicable withholdings and deductions, on the later to occur of the Effective Date or the first payroll date following the Separation Date.

4. SEC Reporting. Employee acknowledges that to the extent required by the Securities Exchange Act of 1934, as amended (the "Exchange Act"), he will have continuing obligations under and he will continue to abide by Section 16(a) and 16(b) of the Exchange Act to report his transactions in Company common stock for six (6) months following the Separation Date.

5. Warranty. Employee acknowledges that all benefits under Section 3 constitute additional compensation to which Employee would not be entitled except for Employee's decision to sign this Agreement and to abide by the terms of this Agreement. Employee acknowledges that, upon receipt of the Accrued Obligations, Employee has received all monies and other benefits due to Employee as a result of his employment with and separation from the Company, other than any continued vesting of Equity Awards during the Consulting Period. Employee further represents that to the best of Employee's knowledge he has not sustained a work-related injury or illness which he has not previously reported to the Company.

6. Release of Known and Unknown Claims.

(a) General Release. In exchange for the benefits set forth in Section 3 above, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Employee agrees unconditionally and forever to release and discharge the Company and its affiliated, related, parent and subsidiary corporations, as well as its past and present parents, subsidiaries, affiliates, associates, members, stockholders, employee benefit plans, attorneys, agents, representatives, partners, joint ventures, predecessors, successors, assigns, insurers, owners, employees, officers, directors and all persons acting by, through, under, or in concert with them, or any of them (hereinafter the "Releasees") from any and all manner of claims, actions, causes of action, in law or in equity, demands, rights, or damages of any kind or nature which he may now have, or ever have, whether known or unknown, fixed or contingent, including any claims, causes of action or demands of any nature (hereinafter called "Claims"), that Employee now has or may hereafter have against the Releasees by reason of any and all acts, omissions, events or facts occurring or existing prior to Employee's execution of this release, including, without limitation, Claims related to any expense reimbursement and claims related to equity of the Company. The Claims released hereunder specifically include, but are not limited to, any claims for fraud; breach of contract; breach of implied covenant of good faith and fair dealing; inducement of breach; interference with contract; wrongful or unlawful discharge or demotion; violation of public policy; sexual or any other type of assault and battery; invasion of privacy; intentional or negligent infliction of emotional distress; intentional or negligent misrepresentation; conspiracy; failure to pay wages, benefits, vacation pay, severance pay, commissions, equity, attorneys' fees, or other compensation of any sort; failure to accommodate disability, including pregnancy; discrimination or harassment on the basis of pregnancy, race, color, sex, gender, national origin, ancestry, religion, disability, handicap, medical condition, marital status, sexual orientation or any other protected category; any claim under the Age Discrimination in Employment Act, as amended, 29 U.S.C. § 621 et seq. ("ADEA"); the Older Workers' Protection Benefit Act of 1990; Title VII of the Civil Rights Act of 1964, as amended, by the Civil Rights Act of 1991, 42 U.S.C. § 2000 et seq.; Equal Pay Act, as amended, 29 U.S.C. § 206(d); the Civil Rights Act of 1866, 42 U.S.C. § 1981; the Family and Medical Leave Act of 1993, 29 U.S.C. § 2601 et seq.; the Americans with Disabilities Act of 1990, 42 U.S.C. § 12101 et seq.; the False Claims Act, 31 U.S.C. § 3729 et seq.; the Employee Retirement Income Security Act, as amended, 29 U.S.C. § 1001 et seq.; the Worker Adjustment and Retraining Notification Act ("WARN"), as amended, 29 U.S.C. § 2101 et seq.; the Fair Labor Standards Act, 29 U.S.C. § 215 et seq.; the California Fair Employment and Housing Act, as amended, Cal. Lab. Code § 12940 et seq.; the California Equal Pay Law, as amended, Cal. Lab. Code §§ 1197.5(a), 1199.5; the Moore-Brown- Roberti Family Rights Act of 1991, as amended, Cal. Gov't Code §§ 12945.2, 19702.3; the California WARN Act, Cal. Lab. Code § 1400 et seq.; the California False Claims Act, Cal. Gov't Code § 12650 et

seq.; the California Corporate Criminal Liability Act, Cal. Penal Code § 387; the California Labor Code; and any federal, state or local laws of similar effect.

(b) *Claims Not Released.* This release shall not apply to: the Company's obligations to provide the separation benefits under Section 3 of this Agreement; Employee's right to indemnification under any applicable indemnification agreement with the Company, the Company's governing documents or applicable law; Employee's right to assert claims for workers' compensation or unemployment benefits; Employee's right to bring to the attention of the Equal Employment Opportunity Commission ("*EEOC*") claims of discrimination (*provided, however*, that Employee releases his right to secure any damages for alleged discriminatory treatment); any right to communicate directly with, cooperate with, or provide information to, any federal, state or local government regulator; any right to file an unfair labor practice charge under the National Labor Relations Act ("*NLRA*"); Employee's vested rights under any retirement or welfare benefit plan of the Company; or any other rights that may not be waived by an employee under applicable law.

(c) *Unknown Claims.* Employee acknowledges that Employee has been advised of and is familiar with the provisions of California Civil Code section 1542, which provides as follows:

"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."

Employee, being aware of said code section, hereby expressly waives any rights he may have thereunder, as well as under any other statutes or common law principles of similar effect.

(d) *Representations.* Employee represents and warrants that there has been no assignment or other transfer of any interest in any Claim which he may have against Releasees, or any of them, and Employee agrees to indemnify and hold Releasees, and each of them, harmless from any liability, Claims, demands, damages, costs, expenses and attorneys' fees incurred by Releasees, or any of them, as the result of any such assignment or transfer or any rights or Claims under any such assignment or transfer. It is the intention of the parties that this indemnity does not require payment as a condition precedent to recovery by the Releasees against Employee under this indemnity. Employee agrees that if he hereafter commences any suit arising out of, based upon, or relating to any of the Claims released hereunder or in any manner asserts against Releasees, or any of them, any of the Claims released hereunder, then Employee agrees to pay to Releasees, and each of them, in addition to any other damages caused to Releasees thereby, all attorneys' fees incurred by Releasees in defending or otherwise responding to said suit or Claim.

(e) *No Actions.* Employee represents and warrants to the Company that Employee has no pending actions, Claims or charges of any kind. Employee agrees that if Employee hereafter commences, joins in, or in any manner seeks relief through any suit arising out of, based upon, or relating to any of the Claims released hereunder or in any manner asserts against the Releasees any of the Claims released hereunder, then Employee will pay to the Releasees against whom such Claim(s) is asserted, in addition to any other damages caused thereby, all attorneys' fees incurred by such Releasees in defending or otherwise responding to said suit or Claim; *provided, however*, that Employee shall not be obligated to pay the Releasees' attorneys' fees to the extent such fees are attributable to: (i) claims under the ADEA or a challenge to the validity of the release of claims under the ADEA; or (ii) Employee's right to file a charge with the EEOC; however, Employee hereby waives any right to any damages or individual relief resulting from any such charge.

(f) *No Admission.* Employee understands and agrees that neither the payment of money nor the execution of this Agreement shall constitute or be construed as an admission of any liability whatsoever by the Releasees.

(g) *Older Worker's Benefit Protection Act.* In accordance with the Older Worker's Benefit Protection Act, Employee is hereby advised as follows:

(i) Employee has read this Agreement and understands its terms and effect, including the fact that Employee is agreeing to release and forever discharge the Company and each of the Releasees from any Claims released in this Agreement.

(ii) Employee understands that, by entering into this Agreement, Employee does not waive any Claims that may arise after the date of Employee's execution of this Agreement, including without limitation any rights or claims that Employee may have to secure enforcement of the terms and conditions of this Agreement.

(iii) Employee has signed this Agreement voluntarily and knowingly in exchange for the consideration described in this Agreement, which Employee acknowledges is adequate and satisfactory to Employee and in addition to any other benefits to which Employee is otherwise entitled.

(iv) The Company advises Employee to consult with an attorney prior to executing this Agreement.

(v) Employee has twenty-one (21) days to review and decide whether or not to sign this Agreement. If Employee signs this Agreement prior to the expiration of such period, Employee acknowledges that Employee has done so voluntarily, had sufficient time to consider the Agreement, to consult with counsel and that Employee does not desire additional time and hereby waives the remainder of the twenty-one (21) day period. In the event of any changes to this Agreement, whether or not material, Employee waives the restarting of the twenty-one (21) day period.

(vi) Employee has seven (7) days after signing this Agreement to revoke this Agreement and this Agreement will become effective upon the expiration of that revocation period. If Employee revokes this Agreement during such seven (7)-day period, this Agreement will be null and void and of no force or effect on either the Company or Employee and Employee will not be entitled to any of the payments or benefits which are expressly conditioned upon the execution and non-revocation of this Agreement.

(vii) If Employee wishes to revoke this Agreement, Employee shall deliver written notice stating his or her intent to revoke this Agreement to [\_\_\_], on or before 11:59 p.m. PT on the seventh (7<sup>th</sup>) day after the date on which Employee signs this Agreement.

7. Protection of Confidential Information. Subject to Section 9 below, Employee hereby reaffirms the covenants, terms and conditions set forth in the proprietary information and invention assignment agreement between the Company and Employee (the "**Confidentiality Agreement**") and acknowledges that the Confidentiality Agreement shall survive termination of Employee's employment and remain in full force and effect in accordance with its terms, including, without limitation, the confidentiality information and non-solicitation restrictive covenants set forth therein.

8. Non-disparagement. Subject to Section 9 below, following the Separation Date, Employee agrees not to publish or disseminate, directly or indirectly, any statements, whether written or oral, that are or could be harmful to or reflect negatively on any of the Company or any of its affiliates, or that are

otherwise disparaging of any of the Company, its affiliates or any of their past or present officers, directors, employees, advisors, agents, policies, procedures, practices, decision-making, conduct, professionalism or compliance with standards. The Company agrees that it shall instruct its officers and members of its Board of Directors to not publish or disseminate, directly or indirectly, any statements, whether written or oral, that are or could be harmful to or reflect negatively on Employee, or that are otherwise disparaging of Employee. Nothing in this Section 8 shall prevent Employee or any the Company from testifying truthfully in response to a subpoena or other legal process; nor shall anything herein prevent Employee from discussing terms and conditions of Employee's employment with the Company, as permitted by the National Labor Relations Act and California law, including but not limited to discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Employee has reason to believe is unlawful, or communicating directly with, cooperating with, or providing information to, any federal, state or local government regulator, including, but not limited to, the U.S. Securities and Exchange Commission, the U.S. Commodity Futures Trading Commission, or the U.S. Department of Justice.

9. Exceptions. Notwithstanding anything in this Agreement to the contrary, nothing contained in this Agreement or the Confidentiality Agreement shall prohibit Employee (or Employee's attorney) from (i) filing a charge with, reporting possible violations of federal law or regulation to, participating in any investigation by, or cooperating with the U.S. Securities and Exchange Commission ("**SEC**"), the Financial Industry Regulatory Authority ("**FINRA**"), the EEOC, the NLRB, the Occupational Safety and Health Administration, the U.S. Commodity Futures Trading Commission, the U.S. Department of Justice or any other securities regulatory agency, self-regulatory authority or federal, state or local regulatory authority (collectively, "**Government Agencies**"), or making other disclosures that are protected under the whistleblower provisions of applicable law or regulation, (ii) communicating directly with, cooperating with, or providing information (including trade secrets) in confidence to any Government Agencies for the purpose of reporting or investigating a suspected violation of law, or from providing such information to Employee's attorney or in a sealed complaint or other document filed in a lawsuit or other governmental proceeding, and/or (iii) receiving an award for information provided to any Government Agency. Pursuant to 18 USC Section 1833(b), Employee will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made: (x) 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 (y) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Further, nothing in this Agreement is intended to or shall preclude Employee from providing truthful testimony in response to a valid subpoena, court order, regulatory request or other judicial, administrative or legal process or otherwise as required by law. If Employee is required to provide testimony, then unless otherwise directed or requested by a Governmental Agency or law enforcement, Employee shall notify the Company in writing as promptly as practicable after receiving any such request of the anticipated testimony and at least ten (10) days prior to providing such testimony (or, if such notice is not possible under the circumstances, with as much prior notice as is possible) to afford the Company a reasonable opportunity to challenge the subpoena, court order or similar legal process.

10. Ongoing Cooperation. Subject to Section 9 above, Employee agrees that Employee will assist and cooperate with the Company and its affiliates, (i) concerning reasonable requests for information about the business of the Company or its affiliates or Employee's involvement and participation therein; (ii) in connection with the defense, prosecution or investigation of any claims or actions now in existence or which may be brought in the future against or on behalf of the Company or its subsidiaries or affiliates, including any proceeding before any arbitral, administrative, judicial, legislative, or other body or agency, including testifying in any proceeding to the extent such claims, actions, investigations or proceedings relate to services performed or required to be performed by Employee, pertinent knowledge possessed by Employee, or any act or omission by Employee; and (iii) and in connection with any investigation or review

by any federal, state or local regulatory, quasi- or self-regulatory or self-governing authority or organization (including, without limitation, the SEC and FINRA) as any such investigation or review relates to services performed or required to be performed by Employee, pertinent knowledge possessed by Employee, or any act or omission by Employee. Employee's full cooperation shall include, but not be limited to, being available to meet and speak with officers or employees of the Company, its affiliates and/or their counsel at reasonable times and locations, executing accurate and truthful documents, appearing at the Company's request as a witness at depositions, trials or other proceedings without the necessity of a subpoena, and taking such other actions as may reasonably be requested by the Company and/or its counsel to effectuate the foregoing. In requesting such services, the Company will consider other commitments that Employee may have at the time of the request. The Company acknowledges its obligations under that certain Indemnification Agreement with the Employee, and covenants and agrees that it will continue to adhere to its obligations under the Indemnification Agreement, including in respect of the pending securities class action lawsuit initiated in December 2021..

11. Governing Law. This Agreement shall be construed under the laws of the State of California, both procedural and substantive.

12. Waiver. The failure to enforce any provision of this Agreement shall not be construed to be a waiver of such provision or to affect the validity of this Agreement or the right of any party to enforce this Agreement.

13. Headings. The headings in this Agreement are provided solely for convenience, and are not intended to be part of, nor to affect or alter the interpretation or meaning of, this Agreement.

14. Severability. If any sentence, phrase, section, subsection or portion of this Agreement is found to be illegal or unenforceable, such action shall not affect the validity or enforceability of the remaining sentences, phrases, sections, subsections or portions of this Agreement, which shall remain fully valid and enforceable.

15. Assignment. This Agreement is personal to Employee and shall not be assignable by Employee. The rights of the Company under this Agreement may be assigned by the Company, in its sole discretion, including to any of its affiliates or any person, firm, corporation or other business entity which at any time, whether by purchase, merger or otherwise, directly or indirectly, acquires all or substantially all of the assets or business of the Company. This Agreement shall insure to the benefit of, and be binding on, the Company and its successors and assigns.

16. Ambiguities. Both parties have participated in the negotiation of this Agreement and, thus, it is understood and agreed that the general rule that ambiguities are to be construed against the drafter shall not apply to this Agreement. In the event that any language of this Agreement is found to be ambiguous, each party shall have an opportunity to present evidence as to the actual intent of the parties with respect to any such ambiguous language.

17. Entire Agreement/Integration. This Agreement, together with the Confidentiality Agreement and the Equity Award agreements, constitutes the entire agreement between Employee and the Company concerning the subject matter hereof. No covenants, agreements, representations, or warranties of any kind, other than those set forth herein, have been made to any party hereto with respect to this Agreement. All prior discussions and negotiations have been and are merged and integrated into, and are superseded by, this Agreement. No amendments to this Agreement will be valid unless written and signed by Employee and an authorized representative of the Company.

18. Consultation with Counsel. Employee acknowledges (i) that Employee has thoroughly read and considered all aspects of this Agreement, that Employee understands all its provisions and that Employee is voluntarily entering into this Agreement, and (ii) that he has been represented by, or had the opportunity to be represented by independent counsel of his own choice in connection with the negotiation and execution of this Agreement and has been advised to do so by the Company, and (ii) that he has read and understands the Agreement, is fully aware of its legal effect, and has entered into it freely based on his own judgment. Without limiting the generality of the foregoing, Employee acknowledges that he or she has had the opportunity to consult with his own independent tax advisors with respect to the tax consequences to him or her of this Agreement and the payments hereunder, and that he is relying solely on the advice of his independent advisors for such purposes. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.

**PLEASE READ CAREFULLY. THIS AGREEMENT CONTAINS A RELEASE OF ALL KNOWN AND UNKNOWN CLAIMS. EMPLOYEE AGREES TO THE TERMS OF THIS AGREEMENT AND VOLUNTARILY ENTERS INTO IT WITH THE INTENT TO BE BOUND HEREBY.**

If the above accurately reflects Employee's understanding, please date and sign the enclosed copy of this Agreement in the places indicated below and return that copy to me by the date that is after the Separation Date but on or before twenty one (21) days after the Agreement Date.

Dated: March 8, 2022

EMPLOYEE

/s/ Kurt Wood

Kurt Wood

Dated: March 8, 2022

COMPANY

/s/ Greg Lucier

Greg Lucier

Chairman of the Board

**EXHIBIT 10.3**

**BERKELEY LIGHTS INC.**

**EMPLOYMENT AGREEMENT**

This Employment Agreement (the “**Agreement**”), entered into as of March 8, 2022 and is effective as of such date provided that employment will not commence until the Effective Date (as defined below), is between Berkeley Lights, Inc., a Delaware corporation (the “**Company**”) and Siddhartha Kadia, PhD (“**Executive**” and, together with the Company, the “**Parties**”).

**WHEREAS**, Executive presently serves as a non-employee member of the Company’s board of directors and this Agreement shall not affect such service (other than with respect to committees that Executive presently serves on);

**WHEREAS**, the Company now desires to assure itself of the services of Executive by engaging Executive to perform services as an employee of the Company effective as of March 9, 2022 (the date Executive actually commences employment with the Company, the “**Effective Date**”) under the terms hereof; and

**WHEREAS**, Executive desires to provide services to the Company on the terms herein provided.

**NOW, THEREFORE**, in consideration of the foregoing, and for other good and valuable consideration, including the respective covenants and agreements set forth below, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

**1. Employment.**

(a) **General.** The Company shall employ Executive upon the terms and conditions provided herein effective as of the Effective Date.

(b) **Position and Duties.** Effective as of the Effective Date, Executive: (i) shall serve as the Company’s sole Chief Executive Officer, with responsibilities, duties, and authority usual and customary for such position, subject to direction by the Board of Directors of the Company (the “**Board**”); (ii) shall report directly to the Board; and (iii) agrees to comply with all present and future written policies, requirements, rules and regulations, and reasonable directions and requests by the Board, of the Company in connection with the Company’s business. At the Company’s request, Executive shall serve the Company and/or its subsidiaries and affiliates in such other capacities in addition to the foregoing as the Company shall designate, provided that such additional capacities are consistent with Executive’s position as the Company’s sole Chief Executive Officer. In the event that Executive serves in any one or more of such additional capacities, Executive’s compensation shall not automatically be increased on account of such additional service.

(c) **Principal Office.** Executive shall primarily perform services for the Company at the Company’s offices located in Emeryville, California or, with the Company’s consent, at any other place in connection with the fulfillment of Executive’s role with the Company; *provided, however*, that the Company may from time to time require Executive to travel temporarily to other locations in connection with the Company’s business. In the event the

Company establishes an office in San Diego, Executive and the Board shall mutually agree to revisit this Section 1(c) and the housing stipend in Section 3(d) in reasonable good faith.

(d) Exclusivity. Except with the prior written approval of the Board (which the Board may grant or withhold in its sole and absolute discretion), Executive shall devote Executive's best efforts and full working time, attention, and energies to the business of the Company, except during any paid vacation or other excused absence periods. Notwithstanding the foregoing, Executive may, without violating this Section 1(d), (i) as a passive investment, own publicly traded securities in such form or manner as will not require any services by Executive in the operation of the entities in which such securities are owned; (ii) engage in charitable and civic activities; or (iii) engage in other personal passive investment activities, in each case, so long as such interests or activities do not materially interfere to the extent such activities do not, individually or in the aggregate, interfere with or otherwise prevent the performance of Executive's duties and responsibilities hereunder. Executive may also serve as a member of the board of directors or board of advisors of another organization provided (i) such organization is not a competitor of the Company; (ii) Executive receives prior written approval from the Board; and (iii) such activities do not individually or in the aggregate interfere with the performance of Executive's duties under this Agreement, violate the Company's standards of conduct then in effect, or raise a conflict under the Company's conflict of interest policies. For the avoidance of doubt, the Board has approved Executive's service with those organizations set forth on Exhibit A, such approval to continue until such time as such service interferes with the performance of Executive's duties under this Agreement, violates the Company's standards of conflict or raises a conflict under the Company's conflict of interest policies.

2. **Term**. The period of Executive's employment under this Agreement shall commence on the Effective Date and shall continue until Executive's employment with the Company is terminated pursuant to Section 5. The phrase "**Term**" as used in this Agreement shall refer to the entire period of employment of Executive by the Company.

### 3. **Compensation and Related Matters.**

(a) Annual Base Salary. During the Term, Executive shall receive a base salary at the rate of \$700,000 per year (as may be adjusted from time to time, the "**Annual Base Salary**"), subject to withholdings and deductions and pro-rated for any partial employment during the Term, which shall be paid to Executive in accordance with the customary payroll practices and procedures of the Company (but with pro-rata installments at least once per calendar month). Such Annual Base Salary shall be reviewed and subject to increase by the Board not less than annually.

(b) Annual Bonus. Executive shall be eligible to receive a discretionary annual bonus based on Executive's achievement of performance objectives established by the Board, such bonus to be targeted at 100% of Executive's Annual Base Salary (the "**Annual Bonus**"). Any Annual Bonus shall be paid at the same time annual bonuses are paid to other executives of the Company generally, subject to Executive's continuous employment through the last day of the applicable performance year. Notwithstanding the foregoing, for calendar year 2022, Executive shall be guaranteed his Annual Bonus assuming achievement of performance goals at 100% of target, pro-rated for his partial service from the Effective Date through December 31, 2022, subject to his continued employment with the Company through December 31, 2022.

Such guaranteed target Annual Bonus for calendar 2022 shall be paid to Executive, less applicable withholdings and deductions, prior to March 15, 2023.

(c) Benefits. Executive shall be entitled to participate in such employee and executive benefit plans and programs as the Company may from time to time offer to provide to its executives, subject to the terms and conditions of such plans. Notwithstanding the foregoing, nothing herein is intended, or shall be construed, to require the Company to institute or continue any particular plan or benefit. Executive's prior and future services to the Company shall be (i) indemnified by the Company to the maximum extent permitted by law and (ii) covered under a Company paid directors and officers errors and omissions liability insurance policy.

(d) Housing Stipend. The Company and Executive agree that for each of the first twelve (12) calendar months that occur during the Term (including, without limitation, April 2022), the Company shall pay to Executive an additional amount in cash equal to \$10,000 for temporary lodging and travel expenses associated with Executive's travel to the Company's headquarters. Such payment shall be payable to Executive on the first payroll of each calendar month, less applicable withholdings and deductions, subject to Executive's continued service through the applicable payment date. For the avoidance of doubt, this housing stipend shall only be payable for the first twelve (12) calendar months of the Term.

(e) Business Expenses. The Company shall reimburse Executive for all reasonable, documented, out-of-pocket travel and other business expenses incurred by Executive in the performance of Executive's duties to the Company in accordance with the Company's applicable expense reimbursement policies and procedures as are in effect from time to time. Such business expense reimbursement shall include the Company directly paying Executive's counsel for any and all legal fees and related costs actually incurred in connection with this Agreement and any related agreements, up to a maximum amount of \$25,000. Such payment shall be made in 2022 and within thirty (30) days of receiving appropriate documentation related to these legal fees/costs.

(f) Vacation. Executive will be entitled to paid vacation in accordance with the Company's vacation policy, as in effect from time to time.

(g) No Mitigation or Offset. Executive shall have no duty of mitigation and there shall be no right of offset with respect to any compensatory payment or benefit provided (or to be provided) to Executive under this Agreement or any other agreement or plan.

#### **4. Equity Awards.**

(a) Initial RSUs. Within 15 days after the Effective Date, Executive shall be granted under the Company's 2020 Incentive Award Plan ("Plan") that number of restricted stock units underlying the Company's common stock (the "**RSUs**"), which represents 1.5% of the Outstanding Common Shares (as defined below) as of the date of the Public Announcement (as defined below) rounded down to the nearest whole share, provided that Executive is employed by the Company on the date of grant. Subject to Executive remaining as a "Service Provider" (as defined in the Plan) through the applicable vesting date, 1/12<sup>th</sup> of the total number of RSUs will vest and be settled on each quarterly anniversary of the Effective Date.

(b) **Initial Stock Option.** Within 15 days after the Effective Date, Executive shall be granted under the Plan an option to purchase that number of shares of the Company’s common stock (the “**Initial Option**”), which represents 0.5% of the Outstanding Common Shares as of the date of the Public Announcement rounded down to the nearest whole share, with an exercise price per share equal to the fair market value of a share of the Company’s common stock on the date of grant, provided that Executive is employed by the Company on the date of grant. Subject to Executive remaining as a “Service Provider” (as defined in the Plan) through the applicable vesting date, 1/12<sup>th</sup> of the total number of shares subject to the Initial Option will vest on each quarterly anniversary of the Effective Date.

(c) **Performance Stock Option.** Within 15 days after the Effective Date, Executive shall be granted under the Plan an option to purchase that number of shares of the Company’s common stock (the “**Performance Option**” and, collectively with the RSUs and the Initial Option, the “**Equity Awards**”), which represents 1.0% of the Outstanding Common Shares as of the date of the Public Announcement rounded down to the nearest whole share, with an exercise price per share equal to the fair market value of a share of the Company’s common stock on the date of grant, provided that Executive is employed by the Company on the date of grant. Vesting and exercisability of the shares subject to the Performance Option shall be contingent on the satisfaction of both a service-based requirement (the “**Service-Based Requirement**”) and a performance-based requirement (the “**Performance-Based Requirement**”).

(i) **Service-Based Requirement:** The Service-Based Requirement will be incrementally satisfied as to 20% of the shares subject to the Performance Option on each anniversary of the Effective Date, subject to Executive remaining as a “Service Provider” (as defined in the Plan) through such date. The Service-Based Requirement shall be deemed satisfied in full in the event Executive experiences a Covered Termination (as defined in the Severance Agreement, defined below), effective as of immediately prior to the “Termination of Service” (as defined in the Plan), subject to Executive otherwise complying with the requirements set forth in the Severance Agreement.

(ii) **Performance-Based Requirement:** Upon the occurrence of a Determination Date prior to the “Termination Date” (as defined below), the Performance-Based Requirement will be satisfied in respect of that percentage of the total number of shares subject to the Performance Option determined based on the Stock Value being at least equal to the applicable Stock Price Goal in accordance with the following table. For avoidance of doubt, upon the achievement of a Stock Price Goal, any Stock Price Goal with a lower threshold value will also then have been achieved if not previously satisfied.

<b>Stock Price Goal</b>	<b>Number of Performance-Based Shares that incrementally vest upon Achievement of a Stock Price Goal</b>
Stock Price Goal 1	20% of the total Performance Option shares
Stock Price Goal 2	20% of the total Performance Option shares
Stock Price Goal 3	20% of the total Performance Option shares
Stock Price Goal 4	20% of the total Performance Option shares
Stock Price Goal 5	20% of the total Performance Option shares

Only if the Determination Date is as a result of a Change in Control (as defined in the Severance Agreement) and the Stock Price Goal achieved is between the above levels as of such Change in Control, the percentage of shares that will satisfy the Performance-Based Requirement shall be determined using linear interpolation. For the avoidance of doubt, if the Determination Date for the shares occurs as a result of a Change in Control, the Performance-Based Requirement shall be deemed satisfied immediately prior to the closing of such Change in Control in which such metrics will be achieved, rather than after the closing of such transaction.

Notwithstanding the foregoing, even if a Stock Price Goal is not achieved as a result of a Change in Control, at a minimum that number of shares subject to the Performance Option shall be accelerated such that the Stock Value Executive is eligible to receive with respect to the shares subject to the Equity Awards in the Change in Control is equal to at least \$8,000,000. In the event the Stock Value Executive is eligible to receive with respect to the shares subject to the Equity Awards (after giving effect to full acceleration of the shares subject to the Performance Option) is less than \$8,000,000 in the aggregate, then the Company shall pay to Executive a one-time cash bonus equal to the difference between (i) \$8,000,000 and (ii) the Stock Value in the Change in Control Executive is eligible to receive with respect to the shares subject to the Equity Awards. Such cash bonus shall be payable upon the closing of the Change in Control, less applicable withholdings and deductions, subject to Executive not experiencing a Termination of Service prior to such date. Notwithstanding the foregoing, in the event Executive experiences a Covered Termination during a Change in Control Period (each as defined in the Severance Agreement), then Executive shall remain eligible to receive such cash bonus, payable at the closing of the Change in Control, *provided* Executive otherwise complies with the requirements in Section 4 of the Severance Agreement.

(iii) *Vesting of Shares Following Satisfaction of Both Service-Based and Performance-Based Requirements*: No shares subject to the Performance Option will vest or become exercisable (in whole or in part) if only one (or if neither) of the Service-Based Requirement and the Performance-Based Requirement is satisfied. If both the Service-Based Requirement and the Performance-Based Requirement are satisfied, each share subject to the Performance Option will vest and become exercisable on the first date upon which both of those requirements were satisfied with respect to that particular share.

(iv) *Termination of Shares Subject to the Performance Option*: The shares subject to the Performance Option shall terminate upon the first to occur of the following (such date, the "**Termination Date**"): (i) solely in respect of shares for which the Service-Based Requirement or the Performance-Based Requirement has not been satisfied, the date of Executive's Termination of Service (subject to any accelerated vesting for the Service-Based Requirement), (ii) solely in respect of shares for which both the Service-Based Requirement and the Performance-Based Requirement has been satisfied, twelve (12) months following Executive's Termination of Service, (iii) the tenth (10th) anniversary of the date of grant, (iv) in the event none of the Performance-Based Requirements have been satisfied as of the consummation of a Change in Control, the closing of such Change in Control, (v) in the event the Performance-Based Requirement has been satisfied as of the consummation of a Change in Control, the closing of such Change in Control in which the Performance Option is not assumed, continued or substituted for (as determined under Sections 9.2 or 9.3 of the Plan) or (vi) for any shares which have not satisfied the Performance-Based Requirement, the seventh anniversary of the Effective Date.

Notwithstanding the foregoing, all of the shares subject to the Performance Option, including any vested and non-vested portion, terminate immediately upon Executive's Termination of Service for Cause (as defined in the Severance Agreement).

(v) *Definitions:*

(1) "**Base Price**" shall mean the closing trading price per share of the Company's common stock as of the last trading day prior to the public announcement of Executive becoming the Company's Chief Executive Officer (the "**Public Announcement**").

(2) "**Determination Date**" means the occurrence of (i) a Change in Control or (ii) any date (prior to a Change in Control) when the Stock Value first equals or exceeds a Stock Price Goal. Determination Dates are eligible to occur any time following the Effective Date until the earlier to occur of (a) the date 100% of the shares subject to the Performance Option have satisfied the Performance-Based Requirement and (b) the Termination Date.

(3) "**Stock Price Goal**" means one of the below five separate stock price threshold values which each reflect a multiple of the Base Price:

<b>Stock Price Goal</b>	<b>Threshold Value</b>
Stock Price Goal 1	200% of Base Price
Stock Price Goal 2	400% of Base Price
Stock Price Goal 3	800% of Base Price
Stock Price Goal 4	1500% of Base Price
Stock Price Goal 5	2000% of Base Price

(4) "**Stock Value**" means: (I) upon the date of a Change in Control, the dollar amount of cash and the value of any securities or other property paid to the holders of shares of Company common stock as consideration in a Change in Control, on a per common share basis (and in the case of a Change in Control that is an asset sale, any additional consideration paid to the Company but not to the holders of common stock, on a per share basis, had such amounts been paid to the holders of Shares), as reasonably determined in good faith by the Board (but in all cases not inconsistent with the value ascribed to such items in the Change in Control transaction documents); and (II) upon any date between the 90<sup>th</sup> day after the Public Announcement and the day before a Change in Control, the average of the closing trading price per share of the Company's common stock over the immediately trailing 90 day period.

(vi) *Adjustments.* In the event that any dividend or other distribution (whether in the form of cash, shares of the Company's common stock, other securities, or other property), recapitalization, stock split, reverse stock split, reorganization, merger (except for a Change in Control), consolidation, split-up, spin-off, combination, reclassification, repurchase, or exchange of shares of the Company's common stock or other securities of the Company, or other change in the corporate structure of the Company affecting the shares of the Company's common stock occurs (other than any ordinary dividends or other ordinary distributions), the Board, in order to prevent diminution or enlargement of the benefits or potential benefits intended to be made

available under the Performance Option, shall (consistent with Section 9.1 in the Plan) make appropriate proportionate and equitable adjustments to the Stock Price Goal(s) set forth above to the extent such Stock Price Goal(s) have not yet been achieved.

(d) Generally. The Equity Awards, and any shares acquired upon exercise, will be subject to the terms and conditions of the Plan and an individual award agreement to be entered into between Executive and the Company (provided that such other terms are not inconsistent with the terms of this Agreement). For the purposes of this Agreement, “**Outstanding Common Shares**” shall be the number of outstanding shares of common stock of the Company, as of the close of the business day preceding the date of determination. Executive shall be permitted in satisfying the payment for any applicable exercise price with respect to the Initial Option and/or the Performance Option through net exercise. Executive may also elect in his discretion to implement a SEC Rule 10b5-1 trading plan in accordance with the Securities Act of 1933.

(e) Future Awards. Commencing in calendar year 2025, Executive shall be eligible for annual stock options and other equity awards as may be determined by the Board.

## 5. Termination.

(a) At-Will Employment. The Company and Executive acknowledge that Executive’s employment is and shall continue to be at-will, as defined under applicable law. This means that it is not for any specified period of time and can be terminated by Executive or by the Company at any time, with or without advance notice, and for any or no particular reason or cause. This “at-will” nature of Executive’s employment shall remain unchanged during Executive’s tenure as an employee and may not be changed, except in an express writing signed by Executive and a duly-authorized officer of the Company. If Executive’s employment terminates for any lawful reason, Executive shall not be entitled to any payments, benefits, damages, award, or compensation other than as provided in this Agreement.

(b) Notice of Termination. During the Term, any termination of Executive’s employment by the Company or by Executive (other than by reason of death) shall be communicated by written notice (a “**Notice of Termination**”) from one Party hereto to the other Party hereto (i) indicating the specific termination provision in this Agreement or the Severance Agreement, as defined below, relied upon, if any, (ii) setting forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Executive’s employment under the provision so indicated, and (iii) specifying the Date of Termination (as defined below). The failure by the Company to set forth in the Notice of Termination all of the facts and circumstances which contribute to a showing of Cause shall not waive any right of the Company hereunder or preclude the Company from asserting such fact or circumstance in enforcing their rights hereunder. The failure by the Executive to set forth in the Notice of Termination all of the facts and circumstances which contribute to a showing of Good Reason shall not waive any right of the Executive hereunder or preclude the Executive from asserting such fact or circumstance in enforcing their rights hereunder.

(c) Date of Termination. For purposes of this Agreement, “**Date of Termination**” shall mean the date of the termination of Executive’s employment with the Company specified in a Notice of Termination.

(d) Deemed Resignation. Upon termination of Executive's employment for any reason, Executive shall be deemed to have resigned from all offices and board memberships, if any, then held with the Company or any of its affiliates, and, at the Company's request, Executive shall execute such documents as are necessary or desirable to effectuate such resignations.

(e) Executive's Obligations upon Termination.

(i) *Cooperation*. Executive shall provide Executive's reasonable cooperation in connection with any action or proceeding (or any appeal from any action or proceeding) which relates to events occurring during Executive's employment hereunder; provided the Company shall indemnify and hold harmless Executive with respect to any such cooperation and promptly reimburse Executive for Executive's reasonable costs and expenses (including legal counsel selected by Executive and reasonably acceptable to the Company) and such cooperation shall not unreasonably burden Executive or unreasonably interfere with any subsequent employment that Executive may undertake.

(ii) *Return of Company Property*. Executive hereby acknowledges and agrees that all Company Property (as defined below) and equipment furnished to, or prepared by, Executive in the course of, or incident to, Executive's employment, belongs to the Company and shall be promptly returned to the Company upon termination of Executive's employment (and will not be kept in Executive's possession or delivered to anyone else). For purposes of this Agreement, "**Company Property**" includes, without limitation, all books, manuals, records, reports, notes, contracts, lists, blueprints, and other documents, or materials, or copies thereof (including computer files), keys, building card keys, company credit cards, telephone calling cards, computer hardware and software, laptop computers, docking stations, cellular and portable telephone equipment, personal digital assistant (PDA) devices and all other proprietary information relating to the business of the Company or its subsidiaries or affiliates. Following Termination of Service, Executive shall not retain any written or other tangible material containing any proprietary information of the Company or its subsidiaries or affiliates.

**6. Consequences of Termination.**

(a) Payments of Accrued Obligations upon all Terminations of Employment. Upon a termination of Executive's employment for any reason, Executive (or Executive's estate or legal representative, as applicable) shall be entitled to receive, within 30 days after Executive's Date of Termination (or such earlier date as may be required by applicable law): (i) any portion of Executive's Annual Base Salary earned through Executive's Date of Termination not theretofore paid, (ii) any expenses owed to Executive under Section 3, (iii) any accrued but unused paid time-off owed to Executive, (iv) any Annual Bonus earned but unpaid as of the Date of Termination, and (v) any amount arising from Executive's participation in, or benefits under, any employee benefit plans, programs, or arrangements under Section 3, which amounts shall be payable in accordance with the terms and conditions of such employee benefit plans, programs, or arrangements. Except as otherwise set forth in Section 6(b), the payments and benefits described in this Section 6(a) shall be the only payments and benefits payable in the event of Executive's termination of employment for any reason.

(b) Severance Payments. Executive shall be eligible for certain severance payments and benefits upon qualifying terminations of employment as set forth in that certain Change in Control and Severance Agreement by and between the Company and Executive, executed between the Parties as of the date of this Agreement (the “**Severance Agreement**”).

7. **Assignment and Successors**. The Company shall assign its rights and obligations under this Agreement to any successor to all or substantially all of the business or the assets of the Company (by merger or otherwise). This Agreement shall be binding upon and inure to the benefit of the Company, Executive, and their respective successors, assigns, personnel, and legal representatives, executors, administrators, heirs, distributees, devisees, and legatees, as applicable. None of Executive’s rights or obligations may be assigned or transferred by Executive, other than Executive’s rights to payments hereunder, which may be transferred only by will, operation of law, or as otherwise provided herein.

## 8. **Miscellaneous Provisions**.

(a) Confidentiality Agreement; Work Eligibility. As a condition of Executive’s employment with the Company, Executive shall execute and abide by the Company standard form proprietary information and inventions assignment agreement (the “**Confidentiality Agreement**”). As a condition of Executive’s employment with the Company, Executive is required to provide evidence of Executive’s identity and eligibility for employment in the United States.

(b) Governing Law. This Agreement shall be governed, construed, interpreted, and enforced in accordance with its express terms, and otherwise in accordance with the substantive laws of the State of California, without giving effect to any principles of conflicts of law, whether of the State of California or any other jurisdiction, and where applicable, the laws of the United States, that would result in the application of the laws of any other jurisdiction.

(c) Validity. The invalidity or unenforceability of any provision or provisions of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect.

(d) Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, but all of which together will constitute one and the same Agreement. Signatures delivered by facsimile or PDF shall be deemed effective for all purposes.

(e) Entire Agreement. The terms of this Agreement, together with the Confidentiality Agreement and the Severance Agreement, are intended by the Parties to be the final expression of their agreement with respect to the employment of Executive by the Company and supersede all prior understandings and agreements, whether written or oral, regarding Executive’s service to the Company. The Parties further intend that this Agreement, together with the Severance Agreement and Confidentiality Agreement, shall constitute the complete and exclusive statement of their terms and that no extrinsic evidence whatsoever may be introduced in any judicial, administrative, or other legal proceeding to vary the terms of this Agreement or the Confidentiality Agreement. Notwithstanding the foregoing, in the event of any conflict between

the terms of any other agreement or Company policy and the terms of this Agreement, the terms of this Agreement shall prevail and govern.

(f) Amendments; Waivers. This Agreement may not be modified, amended, or terminated except by an instrument in writing signed by Executive and a duly authorized representative of the Company. By an instrument in writing similarly executed, Executive or a duly authorized representative of the Company, as applicable, may waive compliance by the other Party with any specifically identified provision of this Agreement that such other Party was or is obligated to comply with or perform; *provided, however*, that such waiver shall not operate as a waiver of, or estoppel with respect to, any other or subsequent failure. No failure to exercise and no delay in exercising any right, remedy, or power hereunder shall preclude any other or further exercise of any other right, remedy, or power provided herein or by law or in equity.

(g) Dispute Resolution. To ensure the timely and economical resolution of disputes that arise in connection with this Agreement, Executive and the Company agree that any and all controversies, claims and disputes arising out of or relating to this Agreement, including without limitation any alleged violation of its terms, shall be resolved solely and exclusively by final and binding arbitration held in Alameda County, California through JAMS in conformity with the then-existing JAMS employment arbitration rules, which can be found at <https://www.jamsadr.com/rules-employment-arbitration/>. The arbitration provisions of this Agreement shall be governed by and enforceable pursuant to the Federal Arbitration Act. In all other respects for provisions not governed by the Federal Arbitration Act, this Agreement shall be construed in accordance with the laws of the State of California, without reference to conflicts of law principles. The arbitrator shall: (a) provide adequate discovery for the resolution of the dispute; and (b) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award. The arbitrator shall award the prevailing Party attorneys' fees and expert fees, if any. Notwithstanding the foregoing, it is acknowledged that it will be impossible to measure in money the damages that would be suffered if the Parties fail to comply with any of the obligations imposed on them under Section 8(a), and that in the event of any such failure, an aggrieved person will be irreparably damaged and will not have an adequate remedy at law. Any such person shall, therefore, be entitled to seek injunctive relief, including specific performance, to enforce such obligations, and if any action shall be brought in equity to enforce any of the provisions of Section 8(a), none of the Parties shall raise the defense, without a good faith basis for raising such defense, that there is an adequate remedy at law. Executive and the Company understand that by agreement to arbitrate any claim pursuant to this Section 8(g), they will not have the right to have any claim decided by a jury or a court, but shall instead have any claim decided through arbitration. Executive and the Company waive any constitutional or other right to bring claims covered by this Agreement other than in their individual capacities. Except as may be prohibited by applicable law, the foregoing waiver includes the ability to assert claims as a plaintiff or class member in any purported class or representative proceeding. The Company shall pay for all arbitration costs and fees that Executive would not have incurred if the dispute had been resolved in a court of law.

(h) Enforcement. If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws, such provision shall be fully severable; this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision had never comprised a portion of this Agreement; and the remaining provisions of this Agreement

shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance from this Agreement. Furthermore, in lieu of such illegal, invalid, or unenforceable provision there shall be added automatically as part of this Agreement a provision as similar in terms to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

(i) **Notices.** Any notice, request, claim, demand, document and other communication hereunder to any Party shall be effective upon receipt (or refusal of receipt) and shall be in writing and delivered personally or sent by facsimile or certified or registered mail, postage prepaid, as follows:

- (i) If to the Company, to the Board at the Company's headquarters,
- (ii) If to Executive, to the last address that the Company has in its personnel records for Executive, or
- (iii) At any other address as any Party shall have specified by notice in writing to the other Party.

(j) **Withholding.** The Company shall be entitled to withhold from any amounts payable under this Agreement any federal, state, local, or foreign withholding or other taxes or charges which the Company is required to withhold. The Company shall be entitled to rely on an opinion of counsel if any questions as to the amount or requirement of withholding shall arise.

(k) **Whistleblower Protections and Trade Secrets.** Notwithstanding anything to the contrary contained herein, nothing in this Agreement prohibits Executive from reporting possible violations of federal law or regulation to any United States governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002, or any other whistleblower protection provisions of state or federal law or regulation (including the right to receive an award for information provided to any such government agencies). Furthermore, in accordance with 18 U.S.C. § 1833, notwithstanding anything to the contrary in this Agreement: (i) Executive shall not be in breach of this Agreement, and shall not be held criminally or civilly liable under any federal or state trade secret law (x) for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (y) for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (ii) if Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose the trade secret to Executive's attorney, and may use the trade secret information in the court proceeding, if Executive files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order.

**9. Prior Employment.** Executive represents and warrants that Executive's acceptance of employment with the Company has not breached, and the performance of Executive's duties hereunder will not breach, any duty owed by Executive to any prior employer or other person. Executive further represents and warrants to the Company that (a) the

performance of Executive's obligations hereunder will not violate any agreement between Executive and any other person, firm, organization, or other entity; (b) Executive is not bound by the terms of any agreement with any previous employer or other party to refrain from competing, directly or indirectly, with the business of such previous employer or other party that would be violated by Executive entering into this Agreement and/or providing services to the Company pursuant to the terms of this Agreement; and (c) Executive's performance of Executive's duties under this Agreement will not require Executive to, and Executive shall not, rely on in the performance of Executive's duties or disclose to the Company or any other person or entity or induce the Company in any way to use or rely on any trade secret or other confidential or proprietary information or material belonging to any previous employer of Executive.

**10. Section 409A.** The intent of the Parties is that the payments and benefits under this Agreement comply with or be exempt from Section 409A of the Code and the Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the Effective Date, ("Section 409A") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. If Executive notifies the Company that Executive has received advice of tax counsel of a national reputation with expertise in Section 409A that any provision of this Agreement would cause Executive to incur any additional tax or interest under Section 409A (with specificity as to the reason therefor) or the Company independently makes such determination, the Company and Executive shall take commercially reasonable efforts to reform such provision to try to comply with or be exempt from Section 409A through good faith modifications to the minimum extent reasonably appropriate to conform with Section 409A. To the extent that any provision hereof is modified in order to comply with or be exempt from Section 409A, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to Executive and the Company of the applicable provision without violating the provisions of Section 409A. Notwithstanding any provision to the contrary in this Agreement: (i) no amount or benefit that constitutes "deferred compensation" under Section 409A shall be provided pursuant to this Agreement unless the termination of Executive's employment constitutes a "separation from service" within the meaning of Section 1.409A-1(h) of the Department of Treasury Regulations ("Separation from Service"); (ii) for purposes of Section 409A, Executive's right to receive installment payments shall be treated as a right to receive a series of separate and distinct payments; and (iii) to the extent that any reimbursement of expenses or in-kind benefits constitutes "deferred compensation" under Section 409A, such reimbursement or benefit shall be provided no later than December 31<sup>st</sup> of the year following the year in which the expense was incurred. The amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year. The amount of any in-kind benefits provided in one year shall not affect the amount of in-kind benefits provided in any other year.

**11. Employee Acknowledgement.** Executive acknowledges that Executive has read and understands this Agreement, is fully aware of its legal effect, has not acted in reliance upon any representations or promises made by the Company other than those contained in writing herein, and has entered into this Agreement freely based on Executive's own judgment.

*[Signature Page Follows]*

The Parties have executed this Agreement as of the date set forth at the start of the Agreement.

**BERKELEY LIGHTS, INC**

By: /s/ Gregory T. Lucier

Name: Gregory T. Lucier

Title: Chairman of the Board

**EXECUTIVE**

By: /s/ Siddhartha Kadia

Name: Siddhartha Kadia, PhD

Address:

## **EXHIBIT A**

### **Affiliations**

Executive is currently a member of the board of directors of the below entities: Public

- Isoplexis (Nasdaq: ISO)
- NuVasive (Nasdaq: NUVA)
- ALS limited (ASX: ALQ)

Private

- Bioskryb Genomics
- ATS
- SeQureDx

## BERKELEY LIGHTS, INC.

## CHANGE IN CONTROL AND SEVERANCE AGREEMENT

This Change in Control and Severance Agreement (the “*Agreement*”) is made and entered into by and between Siddhartha Kadia, PhD (“*Executive*”) and Berkeley Lights, Inc. (the “*Company*”), effective as of the date Executive commences employment with the Company (the “*Effective Date*”).

Background

A. The Board of Directors of the Company (the “*Board*”) recognizes that the possibility of an acquisition of the Company or an involuntary termination can be a distraction to Executive and can cause Executive to consider alternative employment opportunities. The Board has determined that it is in the best interests of the Company and its stockholders to assure that the Company will have the continued dedication and objectivity of Executive, notwithstanding the possibility, threat or occurrence of such an event.

B. The Board believes that it is in the best interests of the Company and its stockholders to provide Executive with an incentive to continue Executive’s employment and to motivate Executive to maximize the value of the Company upon a Change in Control (as defined below) for the benefit of its stockholders.

C. The Board believes that it is imperative to provide Executive with severance benefits upon certain terminations of Executive’s service to the Company that enhance Executive’s financial security and provide incentive and encouragement to Executive to remain with the Company notwithstanding the possibility of such an event.

D. Unless otherwise defined herein, capitalized terms used in this Agreement are defined in Section 9 below.

Agreement

The parties hereto agree as follows:

1. Term of Agreement. This Agreement shall become effective as of the Effective Date and terminate upon the date that all obligations of the parties hereto with respect to this Agreement have been satisfied.

2. At-Will Employment. The Company and Executive acknowledge that Executive’s employment is and shall continue to be “at-will,” as defined under applicable law. Except as provided in Section 5 below, if Executive’s employment terminates for any reason, Executive shall not be entitled to any severance payments, benefits or compensation other than as provided in this Agreement.

3. Covered Termination Outside a Change in Control Period. If Executive experiences a Covered Termination outside a Change in Control Period, then, subject to (i) Executive delivering to

the Company an executed general release of all claims against the Company and its affiliates in a form approved by the Company (a “**Release of Claims**”) that becomes effective and irrevocable in accordance with Section 14(a)(v) below, or such shorter period of time specified by the Company, following such Covered Termination and (ii) Executive’s continued compliance with Section 12 below, then in addition to any accrued but unpaid salary, benefits, vacation and expense reimbursements through the Termination Date payable in accordance with applicable law, the Company shall provide Executive with the following:

(a) **Severance**. During the period of time commencing on the Termination Date and ending on the twelve (12) month anniversary of the Termination Date, the Company shall continue to pay Executive his base salary at the rate in effect immediately prior to the Termination Date (disregarding any reduction to base salary in the prior 12 months). Such payments shall be made in accordance with the Company’s standard payroll practices, less applicable withholdings, beginning on the first payroll date following the date the Release of Claims becomes effective and irrevocable in accordance with Section 14(a)(v) below, and with the first installment including any amounts that would have been paid had the Release of Claims been effective and irrevocable on the Termination Date.

(b) **Target Bonus**. Executive shall be entitled to receive an amount equal to twelve (12) months of Executive’s target annual bonus as if achievement of performance goals at one hundred percent (100%) of target had occurred at the rate in effect immediately prior to the Termination Date (disregarding any reduction to base salary or target annual bonus in the prior 12 months), payable in a cash lump sum, less applicable withholdings, on the first payroll date following the date the Release of Claims becomes effective and irrevocable in accordance with Section 14(a)(v) below.

(c) **Continued Healthcare**. If Executive timely elects to receive continued healthcare coverage pursuant to the provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (“**COBRA**”), the Company shall each calendar month directly pay, or reimburse Executive for, the Company’s portion of the premium (at the same rates in effect on the Termination Date) for Executive and Executive’s covered dependents through the earlier of (i) the twelve (12) month anniversary of the Termination Date and (ii) the date Executive and Executive’s covered dependents, if any, become eligible for healthcare coverage under another employer’s plan(s). Notwithstanding the foregoing, (i) if any plan pursuant to which such benefits are provided is not, or ceases prior to the expiration of the period of continuation coverage to be, exempt from the application of Section 409A of the Internal Revenue Code of 1986, as amended, (the “**Code**”) under Treasury Regulation Section 1.409A-1(a)(5), or (ii) the Company is otherwise unable to continue to cover Executive under its group health plans without penalty under applicable law (including without limitation, Section 2716 of the Public Health Service Act), then, in either case, an amount equal to each remaining Company subsidy shall thereafter be paid to Executive in substantially equal monthly installments. After the Company ceases to pay premiums pursuant to this Section 3(b), Executive may, if eligible, elect to continue healthcare coverage at Executive’s expense in accordance with the provisions of COBRA. Executive shall notify the Company immediately if Executive becomes covered by a group health plan of a subsequent employer.

4. **Covered Termination During a Change in Control Period**. If Executive experiences a Covered Termination during a Change in Control Period, then, subject to (i) Executive delivering to

the Company an executed Release of Claims that becomes effective and irrevocable in accordance with Section 14(a)(v) below, or such shorter period of time specified by the Company, following such Covered Termination and (ii) Executive's continued compliance with Section 12 below, then in addition to any accrued but unpaid salary, benefits, vacation and expense reimbursements through the Termination Date payable in accordance with applicable law, the Company shall provide Executive with the following:

(a) Severance. During the period of time commencing on the Termination Date and ending on the eighteen (18) month anniversary of the Termination Date, the Company shall continue to pay Executive his base salary at the rate in effect immediately prior to the Termination Date (disregarding any reduction to base salary in the prior 12 months). Such payments shall be made in accordance with the Company's standard payroll practices, less applicable withholdings, beginning on the first payroll date following the date the Release of Claims becomes effective and irrevocable in accordance with Section 14(a)(v) below, and with the first installment including any amounts that would have been paid had the Release of Claims been effective and irrevocable on the Termination Date.

(b) Target Bonus. Executive shall be entitled to receive an amount equal to eighteen (18) months of Executive's target annual bonus as if achievement of performance goals at one hundred percent (100%) of target had occurred at the rate in effect immediately prior to the Termination Date (disregarding any reduction to base salary or target annual bonus in the prior 12 months), payable in a cash lump sum, less applicable withholdings, on the first payroll date following the date the Release of Claims becomes effective and irrevocable in accordance with Section 14(a)(v) below.

(c) Continued Healthcare. If Executive timely elects to receive continued healthcare coverage pursuant to the provisions of COBRA, the Company each calendar month shall directly pay, or reimburse Executive for, the Company's portion of the premium (at the same rates in effect on the Termination Date) for Executive and Executive's covered dependents through the earlier of (i) the eighteen (18) month anniversary of the Termination Date and (ii) the date Executive and Executive's covered dependents, if any, become eligible for healthcare coverage under another employer's plan(s). Notwithstanding the foregoing, (i) if any plan pursuant to which such benefits are provided is not, or ceases prior to the expiration of the period of continuation coverage to be, exempt from the application of Section 409A of the Code under Treasury Regulation Section 1.409A-1(a)(5), or (ii) the Company is otherwise unable to continue to cover Executive under its group health plans without penalty under applicable law (including without limitation, Section 2716 of the Public Health Service Act), then, in either case, an amount equal to each remaining Company subsidy shall thereafter be paid to Executive in substantially equal monthly installments. After the Company ceases to pay premiums pursuant to this Section 4(c), Executive may, if eligible, elect to continue healthcare coverage at Executive's expense in accordance with the provisions of COBRA. Executive shall notify the Company immediately if Executive becomes covered by a group health plan of a subsequent employer.

(d) Equity Awards. Each outstanding and unvested equity award (excluding any such awards that vest in whole or in part based on the attainment of performance-vesting conditions), including, without limitation, each restricted stock, stock option, restricted stock unit and stock

appreciation right, held by Executive shall automatically become vested and, if applicable, exercisable and any forfeiture restrictions or rights of repurchase thereon shall immediately lapse with respect to one hundred percent (100%) of the shares subject thereto (excluding any such awards that vest in whole or in part based on the attainment of performance-vesting conditions, which shall be governed by the terms of the applicable award agreement), as of immediately prior to the Termination Date. To give effect to the foregoing, upon the Termination Date, (i) the vested portion of such equity awards shall remain outstanding and/or be exercisable for the period(s) of time set forth in the applicable equity award agreements, (ii) Executive's outstanding equity awards shall cease vesting, and (iii) the unvested shares subject to Executive's outstanding equity awards shall remain outstanding (but unvested) until the earlier to occur of (A) the original expiration date of the equity award and (B) ninety (90) day anniversary of the Date of Termination (the "Equity Award Period"). In the event a Change in Control has not been consummated by end of the Equity Award Period, then the unvested portion of Executive's equity awards shall terminate immediately without further action as of such date. For avoidance of doubt, any unvested time based service vesting conditions for any performance-vesting award shall be deemed satisfied and vested on the Termination Date.

5. Certain Reductions. Notwithstanding anything herein to the contrary, the Company shall reduce Executive's severance benefits under this Agreement, in whole or in part, by any other severance benefits, pay in lieu of notice, or other similar benefits payable to Executive by the Company in connection with Executive's termination, including but not limited to payments or benefits pursuant to (a) any applicable legal requirement, including, without limitation, the Worker Adjustment and Retraining Notification Act, or (b) any other Company agreement, arrangement, policy or practice relating to Executive's termination of employment with the Company (but, for the avoidance of doubt, excluding any cash bonus payable to Executive under Section 4(c)(ii) of the Employment Agreement upon a Change in Control); *provided, however*, that nothing in this Section shall cause Executive to receive severance benefits in the aggregate that are less than the payments and benefits set forth in Sections 3 or 4 hereof, as applicable. The benefits provided under this Agreement are intended to satisfy, to the greatest extent possible, any and all statutory obligations that may arise out of Executive's termination of employment. Such reductions shall be applied on a retroactive basis, with severance benefits paid first in time being recharacterized as payments pursuant to the Company's statutory obligation.

6. Deemed Resignation. Upon termination of Executive's service for any reason, Executive shall be deemed to have resigned from all offices and directorships, if any, then held with the Company or any of its affiliates, and, at the Company's request, Executive shall execute such documents as are necessary or desirable to effectuate such resignations.

7. Other Terminations. If Executive's employment with the Company terminates for any reason other than due to a Covered Termination, then Executive shall not be entitled to any benefits hereunder other than accrued but unpaid salary, vacation and expense reimbursements through the Termination Date in accordance with applicable law and to elect any continued healthcare coverage as may be required under COBRA or similar state law.

8. Limitation on Payments. Notwithstanding anything in this Agreement to the contrary, if any payment or distribution Executive would receive pursuant to this Agreement or otherwise ("**Payment**") would (a) constitute a "parachute payment" within the meaning of Section 280G of the

Code and (b) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the “**Excise Tax**”), then such Payment shall either be (i) delivered in full, or (ii) delivered as to such lesser extent which would result in no portion of such Payment being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the Excise Tax, results in the receipt by Executive on an after-tax basis, of the largest payment, notwithstanding that all or some portion the Payment may be taxable under Section 4999 of the Code. The Company will select an adviser (which is not providing any services to the Company’s acquirer) with experience in performing calculations regarding the applicability of Section 280G of the Code and the Excise Tax, *provided*, that the adviser’s determination shall be made based upon “substantial authority” within the meaning of Section 6662 of the Code to perform the foregoing calculations. The Company shall bear all expenses with respect to the determinations by such adviser required to be made hereunder. The adviser shall provide its calculations to the Company and Executive within fifteen (15) calendar days after the date on which Executive’s right to a Payment is triggered (if requested at that time by the Company or Executive) or such other time as requested by the Company. Any good faith determinations of the adviser made hereunder shall be final, binding and conclusive upon the Company and Executive. Any reduction in payments or benefits pursuant to this Section 8 will occur in the following order: (1) reduction of cash payments; (2) cancellation of accelerated vesting of equity awards other than stock options; (3) cancellation of accelerated vesting of stock options; and (4) reduction of other benefits payable to Executive.

9. Definitions. The following terms used in this Agreement shall have the following meanings:

(a) “**Cause**” means the occurrence of any of the following: (i) Executive’s commission of any felony or other crime, in each case involving moral turpitude; (ii) Executive’s commission of any other act or omission involving fraud or intentional deceit with respect to the Company or any of its affiliates; (iii) any act or omission by Executive involving dishonesty that causes material injury to the Company or any of its affiliates; (iv) willful misconduct by Executive with respect to the Company or any of its subsidiaries; (v) any material breach of a fiduciary duty owed by Executive to the Company or its stockholders or Executive’s material contractual breach of this Agreement or any other agreement referred to herein (including the Confidential Information Agreement); or (vi) Executive’s willful continued failure to perform assigned duties consistent with his position after receiving written notification of the failure from the Company (and provided that the mere failure to attain performance objectives shall not constitute Cause). The determination that a termination of Executive’s employment is either for Cause or without Cause shall be made by the Board, in its reasonable good faith judgment. The Board shall provide Executive with written notice detailing the basis for the termination of employment for Cause. If the basis for Cause is curable, during the 30 day period after Executive has received such notice, Executive shall have an opportunity to cure or remedy such alleged Cause events and to present his case to the full Board (with the assistance of his own counsel).

(b) “**Change in Control**” has the meaning ascribed to such term under the Company’s 2020 Incentive Award Plan, as amended; *provided*, that such transaction must also constitute a “change in control event” within the meaning of Treasury Regulation Section 1.409A- 3(i)(5).

(c) “**Change in Control Period**” means the period of time commencing ninety (90) days prior to the closing of a Change in Control and ending on the twelve (12) month anniversary of the closing such Change in Control.

(d) “**Covered Termination**” means the termination of Executive’s employment by the Company other than for Cause or by Executive for Good Reason, in each case that, to the extent necessary, constitutes a Separation from Service.

(e) “**Good Reason**” shall mean that Executive has complied in all material respects with the “Good Reason Process” (hereinafter defined) following the occurrence of any of the following events, without Executive’s prior written consent: (i) a material reduction of Executive’s annual base salary or annual target bonus amount (unless pursuant to a salary reduction program applicable generally to the Company’s senior management employees); (ii) a material reduction in Executive’s title, role or responsibilities or reporting relationship; (iii) relocation of Executive’s principal place of employment to a place greater than 50 miles from Executive’s then-current principal place of employment; or (iv) any material breach by the Company of any agreement with Executive.

(f) “**Good Reason Process**” shall mean that (i) Executive has reasonably determined in good faith that a “Good Reason” condition has occurred; (ii) Executive has notified the Company in writing of the first occurrence of the Good Reason condition within sixty (60) days of the first time the Executive becomes aware of the occurrence of such condition; (iii) Executive has cooperated in good faith with the Company’s efforts, for a period of thirty (30) days immediately following the Company’s receipt of such notice (the “**Cure Period**”), to remedy the condition; (iv) notwithstanding such efforts, the Good Reason condition continues to exist; and (v) Executive terminates Executive’s employment with the Company within thirty (30) days after the end of the Cure Period. If the Company cures the Good Reason condition during the Cure Period, Good Reason shall be deemed not to have occurred.

(g) “**Separation from Service**” means a “separation from service” with the Company within the meaning of Section 409A of the Code and the Department of Treasury regulations and other guidance promulgated thereunder.

(h) “**Termination Date**” means the date on which Executive experiences a Covered Termination.

#### 10. Successors.

(a) Company’s Successors. Any successor to the Company (whether direct or indirect and whether by purchase, merger, consolidation, liquidation or otherwise) to all or substantially all of the Company’s business or assets shall assume the obligations under this Agreement and agree expressly to perform the obligations under this Agreement in the same manner and to the same extent as the Company would be required to perform such obligations in the absence of a succession. For all purposes under this Agreement, the term “**Company**” shall include any successor to the Company’s business or assets which executes and delivers the assumption agreement described in this Section 10(a) or which becomes bound by the terms of this Agreement by operation of law.

(b) Executive's Successors. The terms of this Agreement and all rights of Executive hereunder shall inure to the benefit of, and be enforceable by, Executive's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees.

11. Notices. Any notices provided hereunder must be in writing and shall be deemed effective upon the earlier of personal delivery (including personal delivery by facsimile), delivery by email or the third day after mailing by first class mail, to the Company at its primary office location and to Executive at Executive's address as listed in the Company's books and records.

12. Confidentiality; Non-Disparagement.

(a) Confidentiality. Executive hereby expressly confirms Executive's continuing obligations to the Company pursuant to that certain confidentiality agreement by and between the Company and Executive (the "**Confidential Information Agreement**").

(b) Non-Disparagement. Executive agrees that Executive shall not disparage, criticize or defame the Company, its affiliates and their respective affiliates, directors, officers, agents, partners, stockholders or employees, either publicly or privately. Similarly, the Company agrees that it shall instruct its officers and directors to not disparage, criticize or defame Executive, either publicly or privately. Nothing in this Section 12(b) shall apply to any evidence or testimony required by any court, arbitrator or government agency.

(c) Whistleblower Protections and Trade Secrets. Notwithstanding anything to the contrary contained herein, nothing in this Agreement or the Confidentiality Agreement prohibits Executive from reporting possible violations of federal law or regulation to any United States governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002, or any other whistleblower protection provisions of state or federal law or regulation (including the right to receive an award for information provided to any such government agencies). Furthermore, in accordance with 18 U.S.C. § 1833, notwithstanding anything to the contrary in this Agreement: (i) Executive shall not be in breach of this Agreement, and shall not be held criminally or civilly liable under any federal or state trade secret law (A) for the disclosure of a trade secret that is made in confidence to a federal, state, or local government official or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (B) for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; and (ii) if Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose the trade secret to Executive's attorney, and may use the trade secret information in the court proceeding, if Executive files any document containing the trade secret under seal, and does not disclose the trade secret, except pursuant to court order.

13. Dispute Resolution. Unless otherwise prohibited by law or specified below, all disputes, claims and causes of action, in law or equity, arising from or relating to this Agreement or to Executive's employment or the termination thereof shall be resolved solely and exclusively by the terms of Section 8(g) in the employment agreement, dated March 8, 2022, entered into by and between the Company and Executive ("Employment Agreement").

14. Miscellaneous Provisions.

(a) Section 409A.

(i) Separation from Service. Notwithstanding any provision to the contrary in this Agreement, no amount constituting deferred compensation subject to Section 409A of the Code shall be payable pursuant to Sections 3 or 4 above unless Executive's termination of employment constitutes a Separation from Service.

(ii) Specified Employee. Notwithstanding any provision to the contrary in this Agreement, if Executive is deemed at the time of his Separation from Service to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i) of the Code, to the extent delayed commencement of any portion of the benefits to which Executive is entitled under this Agreement is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) of the Code, such portion of Executive's benefits shall not be provided to Executive prior to the earlier of (A) the expiration of the six-month period measured from the date of Executive's Separation from Service or (B) the date of Executive's death. Upon the first business day following the expiration of the applicable Code Section 409A(a)(2)(B)(i) period, all payments deferred pursuant to this Section 14(a)(ii) shall be paid in a lump sum to Executive, and any remaining payments due under this Agreement shall be paid as otherwise provided herein.

(iii) Expense Reimbursements. To the extent that any reimbursements payable pursuant to this Agreement are subject to the provisions of Section 409A of the Code, any such reimbursements payable to Executive pursuant to this Agreement shall be paid to Executive no later than December 31 of the year following the year in which the expense was incurred, the amount of expenses reimbursed in one year shall not affect the amount eligible for reimbursement in any subsequent year, and Executive's right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

(iv) Installments. For purposes of Section 409A of the Code (including, without limitation, for purposes of Treasury Regulation Section 1.409A-2(b)(2)(iii)), Executive's right to receive any installment payments under this Agreement shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment.

(v) Release. Notwithstanding anything to the contrary in this Agreement, to the extent that any payments due under this Agreement as a result of Executive's termination of employment are subject to Executive's execution and delivery of a Release of Claims (the form of which is attached hereto), (A) the Company shall deliver the Release of Claims to Executive within ten business days following Executive's Termination Date, and the Company's failure to deliver a Release of Claims prior to the expiration of such ten business day period shall constitute a waiver of any requirement to execute a Release of Claims, (B) if Executive fails to execute the Release of Claims on or prior to the Release Expiration Date (as defined below) or timely revokes Executive's acceptance of the Release of Claims thereafter, Executive shall not be entitled to any payments or benefits otherwise conditioned on the Release of Claims, and (C) in any case where Executive's Termination Date and the Release Expiration Date fall in two separate taxable years, any payments required to be

made to Executive that are conditioned on the Release of Claims and are treated as nonqualified deferred compensation for purposes of Section 409A of the Code shall be made in the later taxable year. For purposes hereof, “**Release Expiration Date**” shall mean (1) if Executive is under 40 years old as of the Termination Date, the date that is seven (7) days following the date upon which the Company timely delivers the Release of Claims to Executive, or such shorter time prescribed by the Company, and (2) if Executive is 40 years or older as of the Termination Date, the date that is twenty one (21) days following the date upon which the Company timely delivers the Release of Claims to Executive, or, if Executive’s termination of employment is “in connection with an exit incentive or other employment termination program” (as such phrase is defined in the Age Discrimination in Employment Act of 1967), the date that is forty five (45) days following such delivery date. To the extent that any payments of nonqualified deferred compensation (within the meaning of Section 409A) due under this Agreement as a result of Executive’s termination of employment are delayed pursuant to this Section 14(a)(v), such amounts shall be paid in a lump sum on the first payroll date following the date that Executive executes and does not revoke the Release of Claims (and the applicable revocation period has expired) or, in the case of any payments subject to Section 14(a)(v)(C), on the first payroll date to occur in the subsequent taxable year, if later.

(b) Withholding. The Company shall be entitled to withhold from any amounts payable under this Agreement any federal, state, local, or foreign withholding or other taxes or charges which the Company is required to withhold.

(c) Waiver. No provision of this Agreement shall be modified, waived or discharged unless the modification, waiver or discharge is agreed to in writing and signed by Executive and by an authorized member of the Company (other than Executive). No waiver by either party of any breach of, or of compliance with, any condition or provision of this Agreement by the other party shall be considered a waiver of any other condition or provision or of the same condition or provision at another time.

(d) Whole Agreement. This Agreement, the Employment Agreement and the Confidential Information Agreement represent the entire understanding of the parties hereto with respect to the subject matter hereof and supersede all prior promises, arrangements and understandings regarding the same, whether written or unwritten. This Agreement may not be amended or terminated except in a written agreement (which expressly references this section) signed by the Company and Executive.

(e) Choice of Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the laws of the State of California without regard to its conflicts of law provisions.

(f) Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid or unenforceable provisions had never been contained herein.

(g) Counterparts. This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one party, but all of which taken together will constitute one and the same Agreement.

(h) Executive Acknowledgement. Executive acknowledges that (i) Executive has consulted with or has had the opportunity to consult with independent counsel of Executive's own choice concerning this Agreement, and has been advised to do so by the Company, and (ii) that Executive has read and understands the Agreement, is fully aware of its legal effect, and has entered into it freely based on Executive's own judgment.

*(Signature page follows)*

**BERKELEY LIGHTS, INC.**

By: /s/ Gregory T. Lucier

Title: Chairman of the Board

Date: March 8, 2022

**EXECUTIVE**

By: /s/ Siddhartha Kadia, PhD

Date: March 8, 2022

**ATTACHMENT**  
**FORM OF RELEASE OF CLAIMS**

## GENERAL RELEASE OF CLAIMS<sup>1</sup>

This General Release of Claims ("Release") is entered into as of \_\_\_, 20\_\_\_, between Siddhartha Kadia, PhD ("Executive") and Berkeley Lights, Inc. (the "Company") (collectively referred to herein as the "Parties"), effective eight days after Executive's signature hereto (the "Effective Date"), unless Executive revokes his acceptance of this Release as provided in Paragraph 2(d), below. This Agreement is being executed in connection with the terms of the Change in Control and Severance Agreement by and between the Parties dated as of March 8, 2022 (the "Severance Agreement"), which is incorporated herein by reference.

1. Termination of Employment. The Parties hereby acknowledge and agree that Executive's employment, including his service in all positions that Executive held as an officer of the Company and as a member of the Company's board of directors, ended effective as of [ ] (the "Termination Date"). The Parties acknowledge and agree that Executive is entitled to receive, and has received, payment of an amount equal to all accrued wages (including base salary and bonus compensation) earned through the Termination Date, including accrued vacation and any earned but unpaid annual performance bonus from the calendar year prior to the Termination Date, less applicable withholding, as well as reimbursement for all expenses incurred by Executive on behalf of the Company, which are consistent with the Company's policies in effect from time to time with respect to travel, entertainment and other business expenses, subject to the Company's requirements with respect to reporting and documenting such expenses.

2. Executive's Release of the Company. Executive understands that by agreeing to this Release, Executive is agreeing not to sue, or otherwise file any claim against, the Company or any of its employees or other agents for any reason whatsoever based on anything that has occurred as of the date Executive signs this Release.

(a) On behalf of Executive and Executive's heirs and assigns, Executive hereby releases and forever discharges the "Releasees" hereunder, consisting of the Company, and each of its owners, affiliates, divisions, predecessors, successors, assigns, agents, directors, officers, partners, employees, and insurers, and all persons acting by, through, under or in concert with them, or any of them, of and from any and all manner of action or actions, cause or causes of action, in law or in equity, suits, debts, liens, contracts, agreements, promises, liability, claims, demands, damages, loss, cost or expense, of any nature whatsoever, known or unknown, fixed or contingent (hereinafter called "Claims"), which Executive now has or may hereafter have against the Releasees, or any of them, by reason of any matter, cause, or thing whatsoever from the beginning of time to the date hereof, including, without limiting the generality of the foregoing, any Claims arising out of, based upon, or relating to Executive's hire, employment, remuneration or resignation by the Releasees, or any of them, including Claims arising under federal, state, or local laws relating to employment, Claims of any kind that may be brought in any court or administrative agency, any Claims arising under the Age Discrimination in Employment Act ("ADEA"), 29 U.S.C. § 621, et seq.; Title VII of the Civil Rights Act of 1964, as amended by the Civil Rights Act of 1991, 42 U.S.C. § 2000 et seq.; the Equal Pay Act, 29 U.S.C. § 206(d); the Civil Rights Act of 1866, 42 U.S.C. § 1981; the Family and Medical Leave Act of 1993, 29 U.S.C. § 2601 et seq.; the Americans with Disabilities Act of 1990, 42 U.S.C. § 12101 et seq.; the False Claims Act, 31 U.S.C. § 3729 et seq.; the Employee Retirement Income Security Act, 29 U.S.C. § 1001 et seq.; the Worker Adjustment and Retraining Notification Act, 29 U.S.C. § 2101 et seq.; the Fair Labor Standards Act, 29 U.S.C. § 215 et seq.; the Sarbanes-Oxley Act of 2002; the California Fair

<sup>1</sup> NTD: To be updated for any changes in applicable law.

Employment and Housing Act, as amended, Cal. Lab. Code § 12940 et seq.; the California Equal Pay Law, as amended, Cal. Lab. Code §§ 1197.5(a), 1199.5; the Moore-Brown-Roberti Family Rights Act of 1991, as amended, Cal. Gov't Code §§ 12945.2, 19702.3; California Labor Code §§ 1101, 1102; the California WARN Act, California Labor Code §§ 1400 et. seq; California Labor Code §§ 1102.5(a),(b); claims for wages under the California Labor Code and any other federal, state or local laws of similar effect; the employment and civil rights laws of California; Claims any other local, state or federal law governing employment; Claims for breach of contract; Claims arising in tort, including, without limitation, Claims of wrongful dismissal or discharge, discrimination, harassment, retaliation, fraud, misrepresentation, defamation, libel, infliction of emotional distress, violation of public policy, and/or breach of the implied covenant of good faith and fair dealing; and Claims for damages or other remedies of any sort, including, without limitation, compensatory damages, punitive damages, injunctive relief and attorney's fees.

(b) Notwithstanding the generality of the foregoing, Executive does not release the following claims:

(i) Claims to enforce this Release;

(ii) Claims for unemployment compensation or any state disability insurance benefits pursuant to the terms of applicable state law;

(iii) Claims for workers' compensation insurance benefits under the terms of any worker's compensation insurance policy or fund of the Company;

(iv) Claims to continued participation in certain of the Company's group benefit plans pursuant to the terms and conditions of COBRA;

(v) Claims to any benefit entitlements vested as the date of Executive's employment termination, pursuant to written terms of any Company employee benefit plan;

(vi) Claims for indemnification under indemnification under the Company's governing documents or any applicable law, and under the terms of any policy of insurance purchased by the Company;

(vii) Claims for the severance benefits Executive is entitled to receive in exchange for this Release under Section [3/4] of the Severance Agreement, including any current or future claims for vesting, acceleration of vesting, or any claims Executive may have as a stockholder of the Company; and

(viii) Executive's right to bring to the attention of the Equal Employment Opportunity Commission claims of discrimination; *provided, however*, that Executive does release Executive's right to secure any damages for alleged discriminatory treatment.

(c) EXECUTIVE ACKNOWLEDGES THAT EXECUTIVE HAS BEEN ADVISED OF AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542, WHICH PROVIDES AS FOLLOWS:

**“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.”**

BEING AWARE OF SAID CODE SECTION, EXECUTIVE HEREBY EXPRESSLY WAIVES ANY RIGHTS EXECUTIVE MAY HAVE THEREUNDER, AS WELL AS UNDER ANY OTHER STATUTES OR COMMON LAW PRINCIPLES OF SIMILAR EFFECT.

(d) In accordance with the Older Workers Benefit Protection Act of 1990, Executive has been advised of the following:

(i) This section and this Release are written in a manner calculated to be understood by Executive;

(ii) Executive has the right to consult with an attorney before signing this Release;

(iii) Executive has been given at least [twenty-one (21)] days to consider this Release;

(iv) Executive has seven (7) days after signing this Release to revoke it, and Executive will not receive the severance benefits provided in Section [3/4] of the Severance Agreement unless and until such seven (7) day period has expired. If Executive wishes to revoke this Release, Executive must deliver notice of Executive’s revocation in writing, no later than 11:59 p.m. Pacific Time on the 7th day following Executive’s execution of this Release to [\_\_\_].

3. Executive Representations. Executive represents and warrants that:

(a) Executive has returned to the Company Property (as defined in that certain Employment Agreement by and between the Parties dated as of March 8, 2022 (the “Employment Agreement”)) which he had in his possession, custody or control at the time he signed this Release;

(b) Except as set forth herein or in any related agreement, Executive is not aware of any owed wages, commissions, bonuses or other compensation, other than wages through the date of the termination of Executive’s employment, any accrued, unused vacation earned through such date, and any severance payments that become due under the Employment Agreement;

(c) During the course of Executive’s employment Executive did not sustain any injuries for which Executive might be entitled to compensation pursuant to worker’s compensation law or Executive has disclosed any injuries of which he is currently, reasonably aware for which he might be entitled to compensation pursuant to worker’s compensation law; and

(d) Executive has not initiated any adversarial proceedings of any kind against the Company or against any other person or entity released herein, nor will Executive do so in the future, except as specifically allowed by this Release.

4. Maintaining Confidential Information. Executive reaffirms his obligations under that certain proprietary information and inventions assignment agreement entered into between Executive and the Company (the "Confidentiality Agreement"). Executive acknowledges and agrees that the severance benefits provided in the Severance Agreement shall be subject to Executive's continued compliance with Executive's obligations under the Confidentiality Agreement.

5. Non-Disparagement. Executive and the Company reaffirm their non-disparagement obligation under Section 12(b) of the Severance Agreement.

6. Cooperation. Executive reaffirms his ongoing cooperation covenant set forth in Section 5(b)(i) of the Employment Agreement.

7. SEC Reporting. Executive acknowledges that to the extent required by the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Executive will have continuing obligations under Section 16(a) and 16(b) of the Exchange Act to report matching transactions, and the Company acknowledges it will file on behalf of the Executive in accordance with current practice if notified by Executive, if any, in Company common stock for six (6) months following the Transition Date. Executive further acknowledges that any transactions by Executive involving Company securities will remain subject to securities laws in all respects, including, without limitation, laws regarding trading on the basis of material nonpublic information.

8. Severability. The provisions of this Release are severable. If any provision is held to be invalid or unenforceable, it shall not affect the validity or enforceability of any other provision.

9. Choice of Law. This Release shall in all respects be governed and construed in accordance with the laws of the State of California, including all matters of construction, validity and performance, without regard to conflicts of law principles.

10. Integration Clause. This Release and the severance benefits under the Severance Agreement contain the Parties' entire agreement with regard to the separation of Executive's employment, and supersede and replace any prior agreements as to those matters, whether oral or written, except for the Confidentiality Agreement, the Employment Agreement and any equity award agreements. This Release may not be changed or modified, in whole or in part, except by an instrument in writing signed by Executive and a duly authorized officer or director of the Company.

11. Execution in Counterparts. This Release may be executed in counterparts with the same force and effectiveness as though executed in a single document. Facsimile signatures shall have the same force and effectiveness as original signatures.

12. Intent to be Bound. The Parties have carefully read this Release in its entirety; fully understand and agree to its terms and provisions; and intend and agree that it is final and binding on all Parties.

IN WITNESS WHEREOF, and intending to be legally bound, the Parties have executed the foregoing on the dates shown below.

EXECUTIVE

BERKELEY LIGHTS, INC.

\_\_\_\_\_  
Siddhartha Kadia, PhD

By:  
Title

\_\_\_\_\_

Date:

Date:

\_\_\_\_\_

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER  
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a)  
ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Siddhartha Kadia, certify that:

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

May 9, 2022

By:

Name:

Title:

/s/ SIDDHARTHA KADIA

Siddhartha Kadia, Ph.D.

Chief Executive Officer

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER  
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a)  
ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, J. Paul McClaskey, certify that:

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





