

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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, 2026

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: 001-39527

PRELUDE THERAPEUTICS INCORPORATED
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

175 Innovation Boulevard
Wilmington, Delaware
(Address of principal executive offices)

81-1384762
(I.R.S. Employer
Identification No.)

19805
(Zip Code)

Registrant's telephone number, including area code: (302) 467-1280

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, par value \$0.0001 per share	PRLD	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

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, 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 type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" 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 May 7, 2026, the registrant had 79,645,307 shares of voting and non-voting common stock, \$0.0001 par value per share, outstanding.

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PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

PRELUDE THERAPEUTICS INCORPORATED

BALANCE SHEETS

(in thousands, except share data)	March 31, 2026	December 31, 2025
Assets	(unaudited)	
Current assets:		
Cash and cash equivalents	\$ 21,756	\$ 35,256
Marketable securities	59,798	67,958
Prepaid expenses and other current assets	3,039	2,478
Total current assets	84,593	105,692
Restricted cash	3,235	3,235
Property and equipment, net	4,722	5,113
Right-of-use asset	26,778	27,165
Prepaid expenses and other non-current assets	314	110
Total assets	<u>\$ 119,642</u>	<u>\$ 141,315</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 2,069	\$ 3,983
Accrued expenses and other current liabilities	5,938	12,533
Deferred revenue	30,952	33,734
Operating lease liability	2,761	2,744
Total current liabilities	41,720	52,994
Deferred revenue, net of current portion	—	1,798
Other liabilities	2,779	2,841
Operating lease liability	14,960	15,045
Total liabilities	<u>59,459</u>	<u>72,678</u>
Commitments (Note 8)		
Stockholders' equity:		
Voting common stock, \$0.0001 par value: 487,149,741 shares authorized; 48,290,087 and 48,225,493 shares issued and outstanding at March 31, 2026 and December 31, 2025, respectively	5	5
Non-voting common stock, \$0.0001 par value: 112,850,259 shares authorized; 14,728,135 shares issued and outstanding at both March 31, 2026 and December 31, 2025	1	1
Additional paid-in capital	753,664	751,684
Accumulated other comprehensive (loss) income	(41)	8
Accumulated deficit	(693,446)	(683,061)
Total stockholders' equity	<u>60,183</u>	<u>68,637</u>
Total liabilities and stockholders' equity	<u>\$ 119,642</u>	<u>\$ 141,315</u>

See accompanying notes to unaudited interim financial statements.

PRELUDE THERAPEUTICS INCORPORATED

**STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(UNAUDITED)**

(in thousands, except share and per share data)	Three Months Ended March 31,	
	2026	2025
Revenue	\$ 4,580	\$ —
Operating expenses		
Research and development	13,601	28,816
General and administrative	5,156	5,790
Total operating expenses	18,757	34,606
Loss from operations	(14,177)	(34,606)
Other income, net	3,792	2,521
Net loss	\$ (10,385)	\$ (32,085)
Per share information:		
Net loss per share of common stock, basic and diluted	\$ (0.13)	\$ (0.42)
Weighted average common shares outstanding, basic and diluted	82,519,981	75,986,281
Comprehensive loss:		
Net loss	\$ (10,385)	\$ (32,085)
Unrealized loss on marketable securities, net of tax	(49)	(23)
Comprehensive loss	\$ (10,434)	\$ (32,108)

See accompanying notes to unaudited interim financial statements.

PRELUDE THERAPEUTICS INCORPORATED

**STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(UNAUDITED)**

(in thousands, except shares)	Voting common stock		Non-voting common stock		Additional paid-in capital	Accumulated other comprehensive income (loss)	Accumulated deficit	Total
	Shares	Amount	Shares	Amount				
Balance at January 1, 2026	48,225,493	\$ 5	14,728,135	\$ 1	\$ 751,684	\$ 8	\$ (683,061)	\$ 68,637
Issuance of common stock upon vesting of RSUs, net of 21,426 shares withheld for employee taxes	64,594	—	—	—	(20)	—	—	(20)
Unrealized loss on marketable securities, net of tax	—	—	—	—	—	(49)	—	(49)
Stock-based compensation expense	—	—	—	—	2,000	—	—	2,000
Net loss	—	—	—	—	—	—	(10,385)	(10,385)
Balance at March 31, 2026	<u>48,290,087</u>	<u>\$ 5</u>	<u>14,728,135</u>	<u>\$ 1</u>	<u>\$ 753,664</u>	<u>\$ (41)</u>	<u>\$ (693,446)</u>	<u>\$ 60,183</u>

(in thousands, except shares)	Voting common stock		Non-voting common stock		Additional paid-in capital	Accumulated other comprehensive income (loss)	Accumulated deficit	Total
	Shares	Amount	Shares	Amount				
Balance at January 1, 2025	42,298,859	\$ 4	12,850,259	\$ 1	\$ 714,982	\$ 35	\$ (583,563)	\$ 131,459
Issuance of common stock upon vesting of RSUs, net of 3,859 shares withheld for employee taxes	5,516	—	—	—	(5)	—	—	(5)
Issuance of common stock upon exercise of prefunded warrants	1,299,827	—	—	—	—	—	—	—
Unrealized loss on marketable securities, net of tax	—	—	—	—	—	(23)	—	(23)
Stock-based compensation expense	—	—	—	—	3,832	—	—	3,832
Net loss	—	—	—	—	—	—	(32,085)	(32,085)
Balance at March 31, 2025	<u>43,604,202</u>	<u>\$ 4</u>	<u>12,850,259</u>	<u>\$ 1</u>	<u>\$ 718,809</u>	<u>\$ 12</u>	<u>\$ (615,648)</u>	<u>\$ 103,178</u>

See accompanying notes to unaudited interim financial statements.

PRELUDE THERAPEUTICS INCORPORATED

**STATEMENTS OF CASH FLOWS
(UNAUDITED)**

(in thousands)	Three months ended March 31,	
	2026	2025
Cash flows used in operating activities:		
Net loss	\$ (10,385)	\$ (32,085)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	391	435
Noncash lease expense	387	384
Stock-based compensation	2,000	3,832
Amortization of premium and discount on marketable securities, net	(388)	79
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(561)	(1,048)
Accounts payable	(1,879)	(1,910)
Deferred revenue	(4,580)	—
Accrued expenses and other liabilities	(6,602)	(3,968)
Operating lease liabilities	(68)	50
Net cash used in operating activities	(21,685)	(34,231)
Cash flows provided by investing activities:		
Purchases of marketable securities	—	(9,463)
Proceeds from maturities of marketable securities	8,499	71,696
Purchases of property and equipment	—	(47)
Net cash provided by investing activities	8,499	62,186
Cash flows used in financing activities:		
Payment of withholding taxes related to stock-based compensation to employees	(51)	(5)
Payment of offering costs	(294)	—
Proceeds from issuance of common stock in connection with the exercise of stock options	31	—
Principal payments on finance lease liabilities	—	(155)
Net cash used in financing activities	(314)	(160)
Net (decrease) increase in cash, cash equivalents and restricted cash	(13,500)	27,795
Cash, cash equivalents, and restricted cash at beginning of period	38,491	16,518
Cash, cash equivalents, and restricted cash at end of period	\$ 24,991	\$ 44,313
Supplemental disclosures of non-cash activities:		
Property and equipment in accounts payable and accrued expenses and other current liabilities	\$ —	\$ 19
Unrealized loss on marketable securities	\$ (49)	\$ (23)
Offering costs in accounts payable and accrued expenses and other current liabilities	\$ 144	\$ —

See accompanying notes to unaudited interim financial statements.

PRELUDE THERAPEUTICS INCORPORATED

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS

1. Background

Prelude Therapeutics Incorporated (the “Company”) is a precision oncology company built on a foundation of drug discovery excellence to deliver novel precision cancer medicines to underserved patients. Since beginning operations in 2016, the Company has devoted substantially all its efforts to research and development, conducting preclinical and clinical studies, recruiting management and technical staff, administration, and raising capital.

2. Risks and liquidity

The Company faces a number of risks common to early-stage companies in the biotechnology industry. Principal among these risks are the uncertainties in the development process, development of the same or similar technological innovations by competitors, protection of proprietary technology, dependence on key personnel, compliance with government regulations and approval requirements, and the need to obtain additional financing to fund operations. Product candidates currently under development will require significant additional research and development efforts, including extensive preclinical and clinical testing and regulatory approval, prior to commercialization. These efforts require significant amounts of additional capital, adequate personnel infrastructure, and extensive compliance-reporting capabilities. There can be no assurance that the Company’s research and development will be successfully completed, adequate protection for the Company’s technology will be obtained, any products developed will obtain necessary government regulatory approval, or any approved products will be commercially viable. The Company operates in an environment of rapid change in technology and substantial competition from pharmaceutical and biotechnology companies.

Since its inception, the Company has incurred operating losses and had an accumulated deficit of \$693.4 million as of March 31, 2026. The Company has no product revenue to date and devotes its efforts to research and development. The Company anticipates incurring additional losses until such time, if ever, that it can generate significant sales of its product candidates currently in development.

At March 31, 2026, the Company had cash, cash equivalents, restricted cash and marketable securities totaling \$84.8 million. Subsequent to March 31, 2026, the Company sold 16,611,014 shares of its voting common stock at a price of \$4.44 per share and pre-funded warrants to purchase up to 3,659,252 shares of its common stock at a price of \$4.4399 per pre-funded warrant, resulting in gross proceeds of approximately \$90.0 million (the “April Offering”). See Note 13 - Subsequent Events for additional information. Based on preliminary estimates, the Company believes these funds will be sufficient to fund its operating expenses and capital expenditure requirements for at least the next twelve months from the filing date of this Quarterly Report on Form 10-Q.

To fund its operating expenses and capital expenditure requirements, the Company plans to seek additional funding through public or private equity offerings, debt financings, collaborations, strategic alliances and licensing arrangements. The Company may not be able to obtain financing on acceptable terms, or at all, and the Company may not be able to enter into strategic alliances or other arrangements on favorable terms, or at all. The terms of any financing may adversely affect the holdings or the rights of the Company’s stockholders. If the Company is unable to obtain funding, it could be required to delay, reduce or eliminate research and development programs, product portfolio expansion or future commercialization efforts, which could adversely affect its business prospects.

3. Summary of significant accounting policies

The complete summary of significant accounting policies included in the Company’s financial statements for the year ended December 31, 2025 can be found in “Note 3. Summary of significant accounting policies” of the Company’s Annual Report on Form 10-K filed with the Securities and Exchange Commission (the “SEC”) on March 10, 2026.

Basis of Presentation

The accompanying unaudited interim financial statements have been prepared in accordance with generally accepted accounting principles (“GAAP”) for interim financial information, the instructions to Form 10-Q and Article 10 of Regulation S-X. They do not include all of the information and notes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three months ended March 31, 2026 are not necessarily indicative of the results that may be expected for the year ending December 31, 2026. The accompanying unaudited interim financial statements should be read in conjunction with the annual audited financial statements and related notes as of and for the year ended December 31, 2025 found in the Company’s Annual Report on Form 10-K filed with the SEC on March 10, 2026. Any reference in these notes to applicable guidance is meant to refer to GAAP as found in the Accounting Standards Codification (“ASC”) and Accounting Standards Updates (“ASU”) of the Financial Accounting Standards Board (“FASB”).

Use of Estimates

The preparation of the unaudited interim financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and contingent liabilities at the date of the unaudited interim financial statements and the reported amounts of expenses during the reporting period. Actual results could differ from those estimates.

Estimates and assumptions are periodically reviewed, and the effects of the revisions are reflected in the accompanying unaudited interim financial statements in the period they are determined to be necessary. The most significant estimate relates to accrued clinical trial expenses.

Income Taxes

Based upon the historical and anticipated future losses, management has determined that the deferred tax assets generated by net operating losses and research and development credits do not meet the more likely than not threshold for realizability. Accordingly, a full valuation allowance has been recorded against the Company’s net deferred tax assets as of March 31, 2026 and December 31, 2025.

Segment Information

Operating segments are defined as components of an enterprise about which separate discrete information is available for evaluation by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. The Company’s chief operating decision maker (“CODM”) is its Chief Executive Officer. The Company views and manages its operations as a single operating segment.

Cash, Cash Equivalents and Restricted Cash

The Company’s cash equivalents include short-term highly liquid investments with an original maturity of 90 days or less when purchased and are carried at fair value in the accompanying balance sheets.

Restricted cash consists of a letter of credit for the benefit of the landlord in connection with the Company’s Chestnut Run Lease. See Note 8 - Commitments for further details.

The following table provides a reconciliation of cash and cash equivalents and restricted cash reported within the balance sheet that total to the amounts shown in the statement of cash flows:

(in thousands)	March 31, 2026	December 31, 2025
Cash and cash equivalents	\$ 21,756	\$ 35,256
Restricted cash	3,235	3,235
Total cash, cash equivalents, and restricted cash shown in statement of cash flows	<u>\$ 24,991</u>	<u>\$ 38,491</u>

Marketable Securities

The Company’s marketable securities consist of investments in corporate debt securities and United States (“U.S.”) government debt securities that are classified as available-for-sale. The securities are carried at fair value with the unrealized gains and losses, net

of tax, included in accumulated other comprehensive loss, a component of stockholders' equity. Realized gains and losses as well as credit losses, if any, on marketable securities are included in the Company's statements of operations. The Company classifies marketable securities that are available for use in current operations as current assets on the balance sheets.

Revenue Recognition

The Company recognizes revenue under ASC 606 – *Revenue from Contracts with Customers*. Under ASC 606, the Company recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. The Company's revenue recognition analysis consists of the following steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations; and (v) recognition of revenue as we satisfy each performance obligation.

The Company evaluates all promised goods and services within a customer contract and determines which goods and services are separate performance obligations. This evaluation includes an assessment of whether the good or service is capable of being distinct and whether the good or service is separable from other promises in the contract.

The transaction price is determined based on the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer. The Company recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligations when (or as) the performance obligations are satisfied. The Company recognizes a liability when the Company has received payment but has not yet satisfied the related performance obligations. See Note 9 - Exclusive Option Agreement and Collaboration Agreements for a full discussion of the Company's revenue contracts. The following table summarizes the changes in deferred revenue:

(in thousands)	Three Months Ended March 31,	
	2026	
Beginning balance	\$	35,532
Deferral of revenue		-
Recognition of unearned revenue		(4,580)
Ending balance	\$	30,952

Net Loss Per Share

Basic net loss per share of common stock is computed by dividing net loss by the weighted-average number of shares of common stock outstanding during each period, including pre-funded warrants to purchase shares of common stock. Diluted net loss per share of common stock includes the effect, if any, from the potential exercise of securities, such as stock options, and the effect from unvested restricted stock units which would result in the issuance of incremental shares of common stock. For diluted net loss per share, the weighted-average number of shares of common stock is the same for basic net loss per share due to the fact that when a net loss exists, dilutive securities are not included in the calculation as the impact is anti-dilutive.

The following potentially dilutive securities have been excluded from the computation of diluted weighted-average shares of common stock outstanding, as they would be anti-dilutive:

	March 31,	
	2026	2025
Unvested restricted stock units	439,080	384,875
Stock options	17,687,713	16,639,068
Employee stock purchase plan	34,144	249,570
	18,160,937	17,273,513

Amounts in the above table reflect the common stock equivalents.

Recently Issued Accounting Pronouncements

Accounting guidance not yet adopted

In November 2024, the FASB issued ASU Update No. 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures*. ASU 2024-03 requires disclosure, in the notes to the financial statements, of specified

information about certain costs and expenses. The amendments in this ASU Update are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the impact of this standard but does not expect that it will have a material impact on the financial statements and related disclosures.

4. Marketable Securities

The following provides detail of the Company's marketable securities.

(in thousands)	Amortized Cost	Gross unrealized gain	Gross unrealized loss	Fair Value
March 31, 2026				
Marketable securities:				
Corporate debt securities	\$ 27,606	\$ —	\$ (37)	\$ 27,569
U.S. government securities	32,233	—	(4)	32,229
Total marketable securities	<u>\$ 59,839</u>	<u>\$ —</u>	<u>\$ (41)</u>	<u>\$ 59,798</u>
December 31, 2025				
Marketable securities:				
Corporate debt securities	\$ 31,044	\$ —	\$ (17)	\$ 31,027
U.S. government securities	36,908	23	—	36,931
Total marketable securities	<u>\$ 67,952</u>	<u>\$ 23</u>	<u>\$ (17)</u>	<u>\$ 67,958</u>

The Company's marketable securities generally have contractual maturity dates of 10 months or less. As of March 31, 2026, the Company had 22 securities with a total fair market value of \$52.3 million in an unrealized loss position. The Company believes any unrealized losses associated with the decline in value of its securities is temporary and is primarily related to market factors. Furthermore, the Company believes it is more likely than not that it will be able to hold its marketable securities to maturity. Therefore, the Company anticipates a full recovery of the amortized cost basis of its marketable securities at maturity and an allowance for credit losses was not recognized.

5. Fair Value of Financial Instruments

Fair value is the price that could be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Fair value determination in accordance with applicable accounting guidance requires that a number of significant judgments be made. Additionally, fair value is used on a nonrecurring basis to evaluate assets for impairment or as required for disclosure purposes by applicable accounting guidance on disclosures about fair value of financial instruments. Depending on the nature of the assets and liabilities, various valuation techniques and assumptions are used when estimating fair value. The Company follows the provisions of ASC 820, *Fair Value Measurement*, for financial assets and liabilities measured on a recurring basis. The guidance requires fair value measurements be classified and disclosed in one of the following three categories:

- *Level 1*: Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- *Level 2*: Quoted prices in markets that are not active, or inputs which are observable, either directly or indirectly, for substantially the full term of the asset or liabilities.
- *Level 3*: Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

The following fair value hierarchy table presents information about the Company's assets and liabilities measured at fair value on a recurring basis:

(in thousands)	Fair value measurement at reporting date using		
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
March 31, 2026			
Assets			
Cash equivalents			
Money market funds	\$ 19,956	\$ —	\$ —
Marketable securities:			
Corporate debt securities	—	27,569	—
U.S. government securities	—	32,229	—
Total marketable securities	—	59,798	—
Total financial assets	\$ 19,956	\$ 59,798	\$ —
December 31, 2025			
Assets			
Cash equivalents			
Money market funds	\$ 21,620	\$ —	\$ —
U.S. government securities	—	12,461	—
Marketable securities:			
Corporate debt securities	—	31,027	—
U.S. government securities	—	36,931	—
Total marketable securities	—	67,958	—
Total financial assets	\$ 21,620	\$ 80,419	\$ —

6. Accrued Expenses and Other Current Liabilities

Accrued expenses and other current liabilities consisted of the following:

(in thousands)	March 31, 2026	December 31, 2025
Compensation and related benefits	\$ 2,534	\$ 7,138
Research and development	2,493	4,430
Other	911	965
	\$ 5,938	\$ 12,533

7. Common Stock

The Company has two classes of common stock: "voting common stock" and "non-voting common stock." The holders of the voting common stock are entitled to one vote for each share of voting common stock held at all meetings of stockholders. Except as otherwise required by law, the holders of non-voting common stock shall not be entitled to vote at any meetings of stockholders (or written actions in lieu of meetings) and the shares of non-voting common stock shall not be included in determining the number of shares voting or entitled to vote on any matter. Unless required by law, there shall be no cumulative voting. Any holder of non-voting common stock may elect to convert each share of non-voting common stock into one fully paid and non-assessable share of voting common stock at any time by providing written notice to the Company; provided that as a result of such conversion, such holder, together with its affiliates and any members of a Schedule 13(d) group with such holder, would not beneficially own in excess of 9.99% of the Company's common stock immediately prior to and following such conversion, unless otherwise as expressly provided for in the Company's restated certificate of incorporation. However, this ownership limitation may be increased (not to exceed

19.99%) or decreased to any other percentage designated by such holder of non-voting common stock upon 61 days' notice to the Company.

Shelf Registration Statements

In May 2024, the Company filed a shelf registration statement (the "2024 Shelf Registration Statement") with the SEC for the issuance of common stock, preferred stock, debt securities, warrants, subscription rights and units up to an aggregate amount of \$400 million. The 2024 Shelf Registration Statement was declared effective on June 10, 2024. The 2024 Shelf Registration Statement expires in May 2027, and as of March 31, 2026, there was \$400.0 million remaining under the 2024 Shelf Registration Statement. See Note 13 - Subsequent Events for additional information on the April Offering.

Open Market Sales Agreement

In March 2023, the Company entered into an Open Market Sales Agreement (the "Sales Agreement") with Jefferies LLC, as the sales agent, pursuant to which the Company may offer and sell shares of its common stock. In accordance with the terms of the Sales Agreement on March 12, 2026, the Company filed a prospectus supplement under its 2024 Shelf Registration Statement, pursuant to which the Company may offer and sell shares of its common stock having an aggregate offering price of up to \$25.0 million from time to time through Jefferies acting as sales agent.

The Company will pay Jefferies LLC a commission rate of up to 3.0% of the aggregate gross proceeds from the sale of any shares of common stock pursuant to the Sales Agreement. At March 31, 2026, there was \$25.0 million remaining under the Sales Agreement.

Pre-funded warrants

There were no pre-funded warrants exercised during the three months ended March 31, 2026 and 1,300,000 pre-funded warrants exercised during the three months ended March 31, 2025. As of March 31, 2026 there were 19,532,188 pre-funded warrants outstanding. See Note 13 - Subsequent Events for additional information on the April Offering.

8. Commitments

Leases

The Company leases office and laboratory space in Wilmington, Delaware under a noncancelable lease (the "Chestnut Run Lease"). The premises include approximately 81,000 rentable square feet and expires in May 2037, subject to the Company's option to extend the term of the lease by up to 3 five-year terms and certain expansion rights. Neither the option to extend nor the expansion rights were recognized as part of the Company's measurement of the right-of-use ("ROU") asset and operating lease liability as of March 31, 2026. Under the terms of the Chestnut Run Lease, the landlord provided an allowance towards the cost of completing tenant improvements for the premises. The Company concluded that the improvements resulting from both the landlord's build-out and the tenant improvements are the landlord's assets for accounting purposes. Costs incurred by the Company related to tenant improvements in excess of the landlord's allowance were treated as prepaid rent and increased the right-of-use asset on the commencement date.

In November 2025, the Company entered into a sublease agreement with a counterparty to sublease approximately 20,000 square feet of the Chestnut Run Lease. The sublease began in December 2025 and continues through November 2027. The sublessee has three options to extend the sublease for one year each.

The Company analyzed the sublease under ASC Topic 842, *Leases* ("ASC 842"), and concluded the sublease is a separate lease, as the Company was not relieved of the primary obligation under the Chestnut Run Lease. The Company will continue to account for the Chestnut Run Lease as a lessee and in the same manner as prior to the execution of the sublease agreement. The Company accounted for the sublease agreement as the lessor, and concluded the sublease qualified as an operating lease, as it did not meet the criteria of a sales-type or direct financing lease. The Company's sublease income was \$143 thousand for three months ended March 31, 2026.

The Company's operating lease costs for each of the three months ended March 31, 2026 and 2025 was \$1.1 million.

Supplemental balance sheet and other information related to our operating and finance leases as of March 31, 2026 and December 31, 2025 were as follows:

(in thousands)

Leases	Classification	March 31, 2026	December 31, 2025
Assets			
Operating	Operating lease right-of-use assets	\$ 26,778	\$ 27,165
Liabilities			
Current:			
Operating	Current liabilities, operating lease liability	\$ 2,761	\$ 2,744
Non-Current:			
Operating	Operating lease liability	14,960	15,045
Total lease liabilities		<u>\$ 17,721</u>	<u>\$ 17,789</u>
Weighted-average discount rate			
Operating lease		15.0%	15.0%
Weighted-average remaining lease term (years)			
Operating lease		11.2	11.4

Supplemental cash flow information related to our leases for the three months ended March 31, 2026 and 2025 were as follows:

(in thousands)	Three months ended March 31,	
	2026	2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating lease	\$ 734	\$ 620
Operating cash flows from finance lease	-	4
Financing cash flows from finance lease	-	155

Future minimum annual lease payments for operating and finance lease at March 31, 2026 are as follows:

(in thousands)	Operating lease
2026 (remaining)	\$ 2,239
2027	3,048
2028	3,124
2029	3,202
2030	3,282
2031	3,364
Thereafter	<u>19,729</u>
Total undiscounted lease payments	<u>37,988</u>
Less imputed interest	<u>(20,267)</u>
Lease liability	<u>\$ 17,721</u>

The Company paid a security deposit for the Chestnut Run Lease in the form of a letter of credit, the balance of which is \$3.2 million as of March 31, 2026 and is included in the accompanying balance sheet as restricted cash. The security deposit may be reduced to \$0.5 million over time in accordance with the terms of the Chestnut Run Lease.

Employment Agreements

The Company has employment agreements with key personnel providing for compensation and severance in certain circumstances, as defined in the respective employment agreements.

401(k) Defined Contribution Plan

The Company sponsors a 401(k) defined-contribution plan covering all employees. Participants are permitted to contribute up to 100% of their eligible annual pretax compensation up to an established federal limit on aggregate participant contributions. The Company provides a match of a maximum amount of 3% of the participant's compensation. For each of the three months ended March 31, 2026 and 2025, the Company made matching contributions of \$0.1 million and \$0.2 million, respectively.

Other Research and Development Arrangements

The Company enters into agreements with CROs to assist in the performance of research and development activities. Expenditures to CROs will represent a significant cost in clinical development for the Company.

9. Exclusive Option Agreement and Collaboration Agreements

Exclusive Option Agreement

On November 3, 2025, the Company entered into an Exclusive Option Agreement (the "Option Agreement") with Incyte to acquire the Company's mutative selective Janus Kinase 2 ("JAK2") V617F JH2 inhibitor program (the "Program") for patients with myeloproliferative neoplasms.

Under the Option Agreement, Incyte received an exclusive option to acquire the Company's entire right, title, and interest in and to certain assets, properties, and rights related to the Program, including the Company's library of preclinical candidates (collectively, the "Transferred Assets") by way of an Asset Purchase Agreement (the "APA"). The Company is continuing to advance the Program. At any time commencing on the effective date of the Option Agreement until the later of (a) 30 days after the Company's delivery of the investigational new drug ("IND") ready data package or (b) 15 months after the effective date of the Option Agreement (which 15 month period shall automatically toll for the Company to deliver the IND-ready package but such tolling will not exceed 3 months unless otherwise agreed by the parties) (the "Option Period"), Incyte may elect to exercise its exclusive option to acquire the Program and associated assets from the Company pursuant to the APA for \$100 million. The Company received an initial upfront payment of \$35 million in cash from the Option Agreement. Under the APA, the Company would be eligible to receive up to \$775 million in additional clinical and regulatory milestones, and single digit royalties on global net sales. Combined, total potential cash payments from the transaction could reach up to \$910 million.

Concurrently with the Option Agreement, the Company entered into a securities purchase agreement with Incyte (the "Securities Purchase Agreement"), pursuant to which Incyte purchased 6,250,000 shares (the "Shares") of the Company's non-voting common stock at a price of \$4.00 per share for gross proceeds of \$25.0 million. Pursuant to the Company's amended and restated certificate of incorporation and subject to the non-voting common stock beneficial ownership limitation, Incyte may elect to convert the Shares into voting shares and in December 2025, Incyte converted 4,372,124 of the Shares into voting shares, making them a related party under Securities and Exchange Commission regulations. Because the Option Agreement and Securities Purchase Agreement were entered into at the same time and negotiated as single commercial package, the Company accounted for the agreements as a single contract under ASC 606. Based on this exercise, the consideration in the Option Agreement plus any excess consideration paid over the fair value of the equity issued to Incyte is a component of transaction price. In determining the fair value of the common stock issued to Incyte, the Company considered the closing price of the common stock on the date of the transaction, which was \$3.98 per share, which resulted in a premium paid by Incyte of \$0.02 per share, or \$0.1 million ("Equity Premium"). The remaining \$24.9 million was recorded as an issuance of common stock in stockholders' equity.

The Company will continue to own and develop all Transferred Assets. If the option is exercised during the Option Period and the parties enter into and close the transaction set forth in the APA, Incyte will own all Transferred Assets subject to the Company's right, in its sole discretion and cost, to continue to conduct development activities during the Option Period to nominate and select development candidate(s) for the Program. If Incyte elects to not exercise its option to acquire the Program, all Transferred Assets would remain in the sole ownership and control of the Company.

The Company first evaluated whether the arrangement meets the definition of a derivative or contains any embedded derivatives under ASC 815, *Derivatives and Hedging*. Although the arrangement includes underlying IP-related value, it qualifies for the scope exception as prescribed by ASC 815-10-15-59(b). The Company next evaluated whether the arrangement represents a funded research and development arrangement under ASC 730, *Research and Development*. The payments received by the Company are non-refundable, and there is no contractual requirement, guarantee, or other provision that would require the Company to repay any of the funds received from Incyte. The Company also concluded that any presumption that there is an obligation to repay the funds received due to the subsequent related party relationship with Incyte is overcome, and therefore the agreements are not within the scope of ASC

730-20. The Company also concluded that the agreements are not within the scope of ASC 808, *Collaborative Arrangements* ("ASC 808"). The Company assessed the Option Agreement in accordance with ASC 606 and concluded that Incyte is a customer in the context of the Option Agreement. The Option Agreement includes the transfer of the following goods or services: (i) the right to conduct research and development activities related to the Program and (ii) Incyte's exclusive option to acquire the Company's entire right, title, and interest in and to certain assets, properties, and rights related to the Program. The Company determined that the exclusive option granted was not a material right and, thus, not a performance obligation.

The Company determined that the transaction price totaled \$35.1 million, which includes the \$35 million upfront cash payment received and the Equity Premium. The Company allocated \$35.1 million to its performance obligations to conduct research and development activities related to the Program. The Company recognizes revenue related to the Option Agreement over time as the performance obligations are satisfied using an inputs approach, by applying actual expenses against total budgeted costs. As of March 31, 2026, \$28.0 million of the upfront payment was included in deferred revenue within the balance sheets which the Company estimates will be recognized within ten months from period-end. The Company recognized \$4.6 million in revenue related to the Option Agreement during the three months ended March 31, 2026.

Research Collaboration Agreement

In 2023, the Company entered into a multi-year, multi-program agreement with AbCellera Biologics Incorporated ("AbCellera") to jointly discover, develop, and commercialize novel degrader antibody conjugates ("DACs") for up to five programs (the "Collaboration Agreement"). Under the terms of the agreement, AbCellera will lead manufacturing activities and the Company will lead clinical development and global commercialization, subject to AbCellera's option to co-promote any resulting commercial products in the United States.

In August 2025 the Company amended its collaboration with AbCellera (the "Amended Agreement"), and in October 2025, the Company further expanded the collaboration ("the Expanded License Agreement"). The Amended Agreement and Expanded License Agreement provided AbCellera a non-exclusive license to use certain of the Company's degrader payloads to independently discover, develop and commercialize a select number of DACs against undisclosed antibody targets. The agreements also entailed other changes to overall resource allocation and collaboration governance. For the newly licensed DAC programs, AbCellera received world-wide rights to lead and fully control the licensed programs at its sole cost and expense and the Company is not responsible for any additional financial responsibilities or go forward development costs associated with those programs. The Company received an upfront non-refundable payment from AbCellera of \$6.5 million upon signing the Amended Agreement and an upfront non-refundable payment of \$6.0 million upon signing of the Expanded License Agreement in October 2025. For the additional licensed DACs, the Company is also eligible to receive customary downstream milestones and single digit royalties on future product sales. The original Collaboration Agreement, whereunder the companies can jointly discover, develop, and commercialize novel DACs for up to five programs remains in effect.

The Company assessed the Amended Agreement and Expanded License Agreement in accordance with ASC 606 and concluded that AbCellera is a customer. The Amended Agreement required the Company to transfer certain intellectual property and related know-how to AbCellera which represented the only performance obligation in the Amended Agreement and was satisfied at a point in time, when the intellectual property and related know-how were transferred to AbCellera during the third quarter of 2025.

Under the Expanded License Agreement, the Company determined the promised goods and services included discovering degrader payloads and granting the licenses to the payloads to AbCellera for them to use to research, develop, and commercialize products related to each of the initial targets mutually agreed upon. Each of these licenses is distinct, as AbCellera can derive benefit from each license independent of any other payload. Accordingly, the license to each of the payloads selected by AbCellera represents a separate performance obligation. The delivery of the licenses were the only performance obligations identified in the Expanded Agreement. The transaction price was determined to consist of the upfront payment of \$6.0 million. The Company allocated the transaction price equally across the licenses, as the estimated standalone selling price of each license was equal. Each performance obligation will be fully satisfied at the point in time when the license is transferred to AbCellera. For the three months ended March 31, 2026, the Company did not recognize any revenue in the statement of operations related to the Expanded License Agreement. As of March 31, 2026, the remaining \$3.0 million of the upfront payment was included in deferred revenue within the balance sheets. The Company estimates the remaining performance obligations will be completed in the second half of 2026.

License Agreement

In May 2024, the Company and Pathos AI, Inc. ("Pathos") entered into a license agreement under which the Company granted to Pathos an exclusive, sublicensable, world-wide license to its selective, brain-penetrant PRMT5 inhibitor, PRT811. The Company assessed the license agreement in accordance with ASC 606 and determined that it satisfied its performance obligations in 2024. During the first quarter of 2026, Pathos notified the Company that it will no longer be continuing development on the program.

10. Segments

The Company currently operates as one operating business segment focused on developing innovative medicines in areas of high unmet need for cancer patients. The Company's determination that it operates as a single segment is consistent with the financial information regularly reviewed by the CODM for purposes of evaluating performance, allocating resources, and planning and forecasting for future periods.

The accounting policies of the segment are the same as those described in the summary of significant accounting policies. The CODM assesses performance for the segment based on net loss, which is reported on the statement of operations and comprehensive loss as net loss. The measure of segment assets is reported on the balance sheet as total assets.

To date, the Company has not recognized any revenue from product sales, and the Company does not expect to generate any revenue in the foreseeable future. Net loss is used to monitor budget versus actual results. Monitoring budgeted versus actual results is used in assessing performance of the segment and to make decisions about the allocation of resources, along with cash forecast models.

During the fourth quarter of 2025, the Company announced that it decided to pause the clinical development of its SMARCA2 degrader program which is comprised of PRT3789 and PRT7732 and prioritize allocation of resources to advancing the JAK2 V617F and K(lysine) acetyltransferase 6A (KAT6A) selective degrader programs. The expense included in other are programs that the Company has paused or discontinued, including the previously mentioned SMARCA2 degrader programs. Corresponding segment expense for earlier periods have been recast. The following table summarizes the significant expense categories regularly reviewed by the CODM for the three months ended March 31, 2026 and 2025.

(in thousands)	Three months ended March 31	
	2026	2025
Revenue	\$ 4,580	\$ —
Operating expenses:		
Research and development		
JAK2 V617F	1,412	1,175
KAT6A	791	506
Discovery programs	54	787
Other	838	9,901
General costs, including personnel related	10,506	16,447
Total research and development	13,601	28,816
General and administrative	5,156	5,790
Total operating expenses	\$ 18,757	\$ 34,606
Loss from operations	(14,177)	(34,606)
Other income, net	3,792	2,521
Net loss	\$ (10,385)	\$ (32,085)

11. Stock-Based Compensation

The Company has two equity incentive plans: the 2016 Equity Incentive Plan, as amended, and the 2020 Equity Incentive Plan. New awards can only be granted under the 2020 Equity Incentive Plan (the "Plan"). The number of shares of the Company's common stock that may be issued pursuant to rights granted under the Plan shall automatically increase on January 1st of each year and continuing for ten years beginning on January 1, 2021, in an amount equal to five percent of the total number of shares of the Company's common stock outstanding on December 31st of the preceding calendar year, subject to the discretion of the Company's board of directors or compensation committee to determine a lesser number of shares shall be added for such year. On January 1, 2026, 3,147,681 shares were added to the Plan. As of March 31, 2026, 7,332,525 shares were available for future grants. The Plan provides for the granting of common stock, incentive stock options, nonqualified stock options, restricted stock awards, restricted stock units and/or stock appreciation rights to employees, directors, and other persons, as determined by the Company's board of directors. The Company's stock options vest based on the terms in each award agreement, generally over four-year periods with 25% of options vesting after one year and then monthly thereafter, and have a term of ten years.

The Company measures stock-based awards at their grant-date fair value and records compensation expense on a straight-line basis over the vesting period of the awards. The Company recorded stock-based compensation expense in the following expense categories in its accompanying statements of operations:

(in thousands)	Three Months Ended March 31,	
	2026	2025
Research and development	\$ 1,089	\$ 2,270
General and administrative	911	1,562
	<u>\$ 2,000</u>	<u>\$ 3,832</u>

Stock Options

The following table summarizes stock option activity for the periods indicated:

	Number of shares	Weighted average exercise price per share	Weighted average remaining contractual term (years)
Outstanding at December 31, 2025	14,727,692	\$ 7.68	6.80
Granted	3,570,250	\$ 2.30	
Exercised	(26,463)	\$ 1.16	
Forfeited	(583,766)	\$ 12.95	
Outstanding at March 31, 2026	<u>17,687,713</u>	\$ 6.43	7.21
Exercisable at March 31, 2026	<u>10,101,993</u>	\$ 9.34	5.86

At March 31, 2026, the aggregate intrinsic value of outstanding options and exercisable options was \$14.0 million and \$4.7 million, respectively.

The following table summarizes information about stock options outstanding at March 31, 2026 under the Plan:

Range of Exercise Prices	Options Outstanding			Options Exercisable	
	Number Outstanding	Weighted Average Remaining Contractual Life (in years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price
\$0.31 - \$2.09	4,864,197	6.88	\$ 1.37	2,558,956	\$ 1.60
\$2.10 - \$4.43	4,277,350	9.53	2.55	432,778	3.79
\$4.44 - \$7.50	4,714,930	7.21	5.53	3,280,908	5.66
\$7.51 - \$74.45	3,831,236	5.06	18.29	3,829,351	18.30
	<u>17,687,713</u>			<u>10,101,993</u>	

The weighted-average grant date fair value of options granted was \$1.97 and \$1.11 per option for the three months ended March 31, 2026 and 2025, respectively. The Company recorded stock-based compensation expense of \$1.9 million and \$3.7 million for the three months ended March 31, 2026 and 2025, respectively, related to stock options. As of March 31, 2026, the total unrecognized compensation expense related to unvested stock option awards was \$14.5 million, which the Company expects to recognize over a weighted-average period of 2.60 years.

The fair value of each option was estimated on the date of grant using the weighted average assumptions in the table below:

	Three months ended March 31,	
	2026	2025
Expected volatility	114.01%	86.50%
Risk-free interest rate	3.91%	4.32%
Expected life (in years)	6.07	6.07
Expected dividend yield	—	—

Restricted Stock Units

The Company granted restricted stock units (“RSUs”) to employees that generally vest over a four-year period with 25% of awards vesting after one year and then quarterly thereafter. Any unvested units will be forfeited upon termination of services.

The following table summarizes activity related to RSU stock-based payment awards:

	Number of shares	Weighted-average grant date fair value
Unvested balance at December 31, 2025	220,500	\$ 1.43
Granted	292,325	\$ 2.30
Vested	(59,557)	\$ 1.70
Forfeited	(14,188)	\$ 1.82
Unvested balance at March 31, 2026	439,080	\$ 1.96

The Company recorded stock-based compensation expense of \$0.1 million for both the three months ended March 31, 2026 and 2025, related to RSUs. At March 31, 2026, the total unrecognized expense related to the RSUs was \$0.8 million, which the Company expects to recognize over a weighted-average period 3.64 years.

Employee Stock Purchase Plan

The Company has an Employee Stock Purchase Plan (the “ESPP”). The number of shares of the Company’s common stock that may be issued pursuant to rights granted under the ESPP shall automatically increase on January 1st of each year and continuing for ten years beginning in 2021, in an amount equal to one percent of the total number of shares of all classes of the Company’s common stock outstanding on December 31st of the preceding calendar year, subject to the discretion of the Company’s board of directors or compensation committee to determine a lesser number of shares shall be added for such year. On January 1, 2026, 629,536 shares were added to the ESPP and as of March 31, 2026, the ESPP had 2,936,805 shares of common stock reserved for future issuance.

Under the ESPP, eligible employees can purchase the Company’s common stock through accumulated payroll deductions at such times as are established by the Company’s compensation committee. Eligible employees may purchase the Company’s common stock at 85% of the lower of the fair market value of the Company’s common stock on the first day of the offering period or on the last day of the offering period. Eligible employees may contribute up to 15% of their eligible compensation. Under the ESPP, a participant may not accrue rights to purchase more than \$25,000 worth of the Company’s common stock for each calendar year in which such right is outstanding.

The ESPP is considered compensatory under the FASB stock compensation rules. Accordingly, share-based compensation expense is determined based on the option’s grant-date fair value as estimated by applying the Black Scholes option-pricing model and is recognized over the withholding period. The Company recognized share-based compensation expense of \$40 thousand for each of the three months ended March 31, 2026 and 2025, related to the ESPP.

12. Workforce Reduction

During 2025, the Company reduced its workforce by approximately 27% of full-time employees to align its resources with its ongoing clinical and preclinical programs. There was no expense related to the workforce reduction incurred during the three months ended March 31, 2026 or 2025.

The following table summarizes the accrued liabilities activity recorded in connection with the reduction in workforce for the three months ended March 31, 2026:

(in thousands)	Amount accrued at December 31, 2025	Charges	Amount Paid	Adjustments	Amount accrued at March 31, 2026
Workforce reduction	\$ 711	\$ —	\$ (694)	\$ —	\$ 17

13. Subsequent Events

In April 2026, the Company sold an aggregate of (a) 16,611,014 shares of its voting common stock, par value \$0.0001 per share (the “Common Stock”), at a price of \$4.44 per share, and (b) pre-funded warrants to purchase up to 3,659,252 shares of its Common Stock (the “Pre-Funded Warrants”), at a price of \$4.4399 per warrant with an exercise price of \$0.0001 per share (the “Offering”).

The Company estimates that the net proceeds from the Offering will be approximately \$85.5 million, after deducting underwriting discounts and commissions and estimated offering expenses.

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

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and the related notes and other financial information included elsewhere in this Quarterly Report on Form 10-Q. In addition to historical financial information, this discussion contains forward-looking statements based upon current expectations that involve risks and uncertainties, such as statements of our plans, objectives, expectations, intentions and belief. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth in the section titled “Risk Factors” under Part I, Item 1A of our Annual Report on Form 10-K filed with the SEC on March 10, 2026, or our 2025 Annual Report on Form 10-K. These forward-looking statements may include, but are not limited to, statements regarding our future results of operations and financial position, our ability to develop our clinical candidates, inflation and interest rate risk, recessionary concerns, the effect of continued federal government shutdown, business strategy, market size, potential growth opportunities, preclinical and clinical development activities, efficacy and safety profile of our product candidates, use of net proceeds from our offerings, our ability to maintain and recognize the benefits of certain designations received by product candidates, the timing and results of preclinical studies and clinical trials, commercial collaborations with third parties and the receipt and timing of potential regulatory designations, approvals and commercialization of product candidates. The words “believes,” “anticipates,” “estimates,” “plans,” “expects,” “intends,” “may,” “could,” “should,” “potential,” “likely,” “projects,” “continue,” “will,” “schedule,” and “would” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

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.

Overview

Prelude is a precision oncology company built on a foundation of drug discovery excellence to deliver novel precision cancer medicines to underserved patients. By leveraging our core competencies in cancer biology and medicinal chemistry, combined with our clinical development capabilities, we have built an efficient, drug discovery engine and the development expertise necessary to identify compelling biological targets and create new chemical entities, or NCEs, that we advance into clinical trials. We believe our approach could result in better targeted cancer therapies. Our discovery excellence has been supported by our steady progress in advancing a pipeline of novel precision oncology development candidates, alone and with partners. We are working with our partner AbCellera Biologics, Inc. (“AbCellera”) on an early-stage discovery program involving potent degraders as payloads for novel antibodies targeting tumor specific antigens. Since our inception in 2016, we have received clearance from the U.S. Food and Drug Administration, or the FDA, for multiple investigational new drug applications, or INDs, and successfully advanced several programs into clinical trials. In addition, we have other differentiated proprietary programs in various stages of preclinical development.

By focusing on developing molecules using broad mechanisms that have multiple links to oncogenic driver pathways in select patients, we have developed a diverse pipeline consisting of multiple distinct programs including kinases, targeted protein degraders, and degrader antibody conjugates (“DAC”). Our pipeline is designed to serve patients with high unmet medical need, where there are limited or no treatment options. We believe we can best address these diseases by harnessing advances in new therapeutic modalities such as targeted protein degradation to develop highly potent and specific agents against clinically validated targets in areas of high unmet need.

Myeloproliferative neoplasms (“MPN”) are hematopoietic disorders arising from clonal expansion of hematopoietic stem cells (“HSC”) in the bone marrow. Current treatment options for MPN patients offer symptomatic benefit but fail to eliminate disease-initiating clones leading to treatment resistance and progression to secondary acute myeloid leukemia. Therapeutic approaches that can selectively eliminate disease-initiating HSCs and induce molecular remission are an unmet medical need.

Mutations in Janus Kinase 2 (“JAK2”), calreticulin (“CALR”) and MPL are phenotypic drivers of disease in over 90% of MPN cases. CALR mutations are the second most common driver alteration in MPN, accounting for 20-30% of all cases. Selective expression of mutant CALR on diseased cells but not on normal cells makes CALR a high value target for antibody-directed therapies in MPN.

JAK2V617F is the primary driver mutation responsible for disease progression in the majority of patients living with MPNs. We have discovered novel allosteric inhibitors that bind into the JAK2 JH2 “deep pocket” where the V617F mutation resides. These candidates demonstrate mutant specific inhibition in multiple preclinical models of MPNs. We believe this approach may have the potential to reduce mutant allele burden, slow or even reverse disease progression, and transform treatment outcomes for MPN patients.

PRT12396 our lead, mutant-selective JAK2V617F inhibitor received IND clearance from the U.S. FDA, as announced in February 2026, and recently we initiated and commenced enrollment into a Phase 1 study of PRT12396 in patients with polycythemia vera (PV) and myelofibrosis (MF). The Phase 1 study of PRT12396 is an open-label, multi-center, safety and efficacy study. The primary endpoints of the study include safety, efficacy and PK profile.

As previously announced on November 4, 2025, we entered into an exclusive option agreement (the "Exclusive Option Agreement") with Incyte Corporation ("Incyte") to acquire our mutative selective JAK2V617F inhibitor program (the "Program") for patients with myeloproliferative neoplasms. Under the Option Agreement, Incyte received an exclusive option to acquire our entire right, title, and interest in and to certain assets, properties, and rights related to the JAK2V617F inhibitor program, including our library of preclinical candidates (collectively, the "Transferred Assets"). We expect to advance the JAK2V617F program to pre-defined milestones. Incyte may elect to exercise its exclusive option during the option period to acquire the program and associated assets from us for \$100 million. As the JAK2V617F program candidates advance in the clinic, we would be eligible to receive up to \$775 million in additional clinical and regulatory milestones, and single digit royalties on global net sales. Combined, total potential cash payments from the transaction, excluding royalties, could reach up to \$910 million.

We have discovered and are developing a series of selective and orally bioavailable K(lysine) acetyltransferase 6A (KAT6A) selective degraders. We believe that selectively degrading KAT6A has the potential for improved efficacy, tolerability and combinability with other agents relative to non-selective inhibitors of KAT6A/B.

We presented preclinical data from our lead development candidate, PRT13722, at the American Association for Cancer Research Annual Meeting 2026 on April 20, 2026. PRT13722 is being developed for the treatment of hormone receptor positive (HR+)/human epidermal growth factor receptor 2 (HER2-) breast cancer (BC). Based on preclinical data, we believe PRT13722 is a highly differentiated, first-in-class, orally bioavailable, potent and highly selective KAT6A degrader. PRT13722 is on track for an investigational new drug (IND) filing in mid-2026, and, pending IND clearance, initiation of a Phase 1 study is anticipated in the second half of 2026.

Drawing on our expertise in targeted protein degradation, we have discovered and optimized a series of proprietary degrader payloads for use in discovering and developing DACs. We disclosed first data at the 36th EORTC-NCI-AACR Symposium describing preclinical proof-of-concept using a novel, potent SMARCA2/4 dual degrader as a degrader payload conjugated to multiple antibodies. Prelude's SMARCA2/4 dual degraders have shown picomolar potency with potential for increased efficacy, selectivity and improved therapeutic index. DACs have potential to expand the reach of SMARCA degrader technology to cancers without SMARCA4 mutations.

During the second half of 2025, we restructured aspects of our collaboration agreement with AbCellera to allow AbCellera to independently discover, develop and commercialize select undisclosed DACs by providing a non-exclusive license to the Company's degrader payloads among other changes to overall resource allocation, governance, and operational aspects of the collaboration.

In June 2025, at the European Hematology Association, we delivered an oral presentation about our mutated calreticulin ("mCALR") discovery efforts, including the first-in-class CALR-targeted DACs that selectively target mutant CALR expressing cells, with the potential to achieve responses by eliminating MPN clones. These data demonstrate that a CALRxSMARCA2/4 degrader antibody conjugate can selectively degrade SMARCA2/4 in CALR mutant cells and robustly inhibit CALR-mutant cell growth in vitro and in vivo.

Components of Results of Operations

Since inception, we have devoted substantially all of our resources to developing product and technology rights, conducting research and development, organizing and staffing our company, business planning and raising capital. We have incurred recurring losses, the majority of which are attributable to research and development activities, and negative cash flows from operations. We have funded our operations primarily through the sale of convertible preferred stock and common stock. Our net loss was \$10.4 million and \$32.1 million for the three months ended March 31, 2026 and 2025, respectively. As of March 31, 2026, we had an accumulated deficit of \$693.4 million. Our primary use of cash is to fund operating expenses, which consist primarily of research and development expenditures, and to a lesser extent, general and administrative expenditures. Our ability to generate product revenue sufficient to achieve profitability will depend heavily on the successful development and eventual commercialization of one or more of our current or future product candidates. We expect to continue to incur significant expenses and operating losses for the foreseeable future as we advance our product candidates through all stages of development and clinical trials and, ultimately, seek regulatory approval. In addition, if we obtain marketing approval for any of our product candidates, we expect to incur significant commercialization expenses related to product manufacturing, marketing, sales and distribution. Our net losses may fluctuate

significantly from quarter-to-quarter and year-to-year, depending on the timing of our clinical trials and our expenditures on other research and development activities.

Revenue

To date, we have not recognized any revenue from product sales, and we do not expect to generate any revenue from the sale of products in the foreseeable future. During the three months ended March 31, 2026, we recognized revenue from our Exclusive Option Agreement with Incyte. If our development efforts for our product candidates are successful and result in regulatory approval, or license agreements with third parties, we may generate revenue in the future in the form of milestone payments, royalties, or product sales. However, there can be no assurance as to when we will generate such revenue, if at all.

Operating Expenses

Research and Development Expenses

Research and development expenses consist primarily of costs incurred in connection with the discovery and development of our product candidates. We expense research and development costs as incurred, including:

- expenses incurred to conduct the necessary discovery-stage laboratory work, preclinical studies and clinical trials required to obtain regulatory approval;
- personnel expenses, including salaries, benefits and stock-based compensation expense for our employees engaged in research and development functions;
- costs of funding research performed by third parties, including pursuant to agreements with clinical research organizations, or CROs, that conduct our clinical trials, as well as investigative sites, consultants and CROs that conduct our preclinical and nonclinical studies;
- expenses incurred under agreements with contract manufacturing organizations, or CMOs, including manufacturing scale-up expenses and the cost of acquiring and manufacturing preclinical study and clinical trial materials;
- fees paid to consultants who assist with research and development activities;
- expenses related to regulatory activities, including filing fees paid to regulatory agencies; and
- allocated expenses for facility costs, including rent, utilities, depreciation and maintenance.

We track outsourced development costs and other external research and development costs to specific product candidates on a program-by-program basis, fees paid to CROs, CMOs and research laboratories in connection with our preclinical development, process development, manufacturing and clinical development activities. However, we do not track our internal research and development expenses on a program-by-program basis as they primarily relate to compensation, early research and other costs which are deployed across multiple projects under development.

Research and development activities are central to our business model. Product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later-stage clinical trials. We expect to continue to incur research and development expenses over the next several years related to personnel costs, including stock-based compensation, clinical trials, including later-stage clinical trials, for current and future product candidates and preparing regulatory filings for our product candidates.

General and Administrative Expenses

General and administrative expenses consist primarily of personnel expenses, including salaries, benefits and stock-based compensation expense, for employees and consultants in executive, finance and accounting, legal, operations support, information technology and human resource functions. General and administrative expense also includes corporate facility costs not otherwise included in research and development expense, including rent, utilities, depreciation and maintenance, as well as legal fees related to intellectual property and corporate matters and fees for accounting and consulting services.

We expect to continue to incur general and administrative expense in the future to support our continued research and development activities and potential commercialization efforts. These expenses will likely include costs related to personnel and fees to outside consultants and legal support, among other expenses. The costs associated with being a public company include expenses related to services associated with maintaining compliance with the requirements of Nasdaq and the Securities and Exchange

Commission ("SEC") insurance and investor relations costs. If any of our current or future product candidates obtains U.S. regulatory approval, we expect that we would incur significantly increased expenses associated with building a sales and marketing team.

Other Income, Net

Other income, net consists primarily of interest earned on our cash equivalents and marketable securities, research and development tax credits, and grant income received from the State of Delaware.

Income Taxes

Since our inception, we have not recorded any income tax benefits for the net operating losses ("NOLs") we have incurred or for our research and development tax credits, as we believe, based upon the weight of available evidence, that it is more likely than not that all of our NOLs and tax credits will not be realized.

Results of Operations

Comparison of the Three Months Ended March 31, 2026 and 2025

The following table sets forth our results of operations.

(in thousands)	Three months ended March 31,		Change
	2026	2025	
Revenue	\$ 4,580	\$ —	\$ 4,580
Operating expenses:			
Research and development	13,601	28,816	(15,215)
General and administrative	5,156	5,790	(634)
Total operating expenses	18,757	34,606	(15,849)
Loss from operations	(14,177)	(34,606)	20,429
Other income, net	3,792	2,521	1,271
Net loss	\$ (10,385)	\$ (32,085)	\$ 21,700

Revenue

Revenue for the three months ended March 31, 2026 was related to our Exclusive Option Agreement with Incyte.

Research and Development Expenses

Research and development expenses decreased from \$28.8 million for the three months ended March 31, 2025 to \$13.6 million for the three months ended March 31, 2026. Included in research and development expenses for the three months ended March 31, 2026, was \$1.1 million of non-cash expense related to stock-based compensation expense, including employee stock options, compared to \$2.3 million for the three months ended March 31, 2025. Research and development expenses decreased primarily due to a decrease in expense related to our SMARCA2 clinical trials which we paused in 2025. Research and development expenses may fluctuate from period to period depending upon the stage of certain projects and the level of preclinical and clinical trial-related activities.

Research and development expenses by program are summarized in the table below. During the fourth quarter of 2025, the Company announced that it decided to pause the clinical development of its SMARCA2 degrader program which is comprised of PRT3789 and PRT7732 and prioritize allocation of resources to advancing the JAK2 V617F and K(lysine) acetyltransferase 6A (KAT6A) selective degrader programs. The expense included in other are programs that the Company has paused or discontinued,

including the previously mentioned SMARCA2 degrader programs. Corresponding program expense for earlier periods have been recast. The following table summarizes the significant expense categories for three months ended March 31, 2026 and 2025.

(in thousands)	Three months ended March 31,	
	2026	2025
JAK2 V617F	\$ 1,412	\$ 1,175
KAT6A	791	506
Discovery programs	54	787
Other	838	9,901
Internal costs, including personnel related	10,506	16,447
	<u>\$ 13,601</u>	<u>\$ 28,816</u>

General and Administrative Expenses

General and administrative expenses decreased from \$5.8 million for the three months ended March 31, 2025 to \$5.2 million for the three months ended March 31, 2026. The decrease was primarily driven by a decrease in non-cash expense related to stock-based compensation expense. Included in general and administrative expenses for the three months ended March 31, 2026, was \$0.9 million of non-cash expense related to stock-based compensation expense compared to \$1.6 million for the three months ended March 31, 2025.

Other Income, net

Other income, net increased from \$2.5 million for the three months ended March 31, 2025, to \$3.8 million for the three months ended March 31, 2026 primarily due to the receipt and recognition of research and development tax credits.

Liquidity and Capital Resources

Overview

Since our inception, we have not recognized any product revenue and have incurred operating losses and negative cash flows from our operations. We have not yet commercialized any product and we do not expect to generate revenue from sales of any products for several years, if at all.

At March 31, 2026 the Company had cash, cash equivalents, restricted cash and marketable securities totaling \$84.8 million. Subsequent to March 31, 2026, the Company sold 16,611,014 shares of its voting common stock at a price of \$4.44 per share and pre-funded warrants to purchase up to 3,659,252 shares of its common stock at a price of \$4.4399 per pre-funded warrant, resulting in gross proceeds of approximately \$90.0 million. See Note 13 - Subsequent Events for additional information. Based on preliminary estimates, the Company believes these funds will be sufficient to fund its operating expenses and capital expenditure requirements for at least the next twelve months from the filing date of this Quarterly Report on Form 10-Q.

Since our inception, we have funded our operations primarily through the sale of convertible preferred stock, common stock, and pre-funded warrants. We will need to raise substantial additional capital to support our continuing operations and pursue our growth strategy. Until such time as we can generate significant revenue from product sales, if ever, we plan to finance our operations through the sale of equity, debt financings or other capital sources, which may include collaborations with other companies or other strategic transactions. There are no assurances that we will be successful in obtaining an adequate level of financing as and when needed to finance our operations on terms acceptable to us or at all. Any failure to raise capital as and when needed could have a negative impact on our financial condition and on our ability to pursue our business plans and strategies. If we are unable to secure adequate additional funding, we may have to significantly delay, scale back or discontinue the development and commercialization of one or more product candidates or delay our pursuit of potential in-licenses or acquisitions.

Funding Requirements

Our primary use of cash is to fund operating expenses, primarily research and development expenditures. Cash used to fund operating expenses is impacted by the timing of when we pay these expenses, as reflected in the change in our outstanding accounts payable, accrued expenses and prepaid expenses.

Because of the numerous risks and uncertainties associated with research, development and commercialization of pharmaceutical products, we are unable to estimate the exact amount of our operating capital requirements. Our future funding requirements will depend on many factors, including, but not limited to:

- the scope, timing, progress and results of discovery, preclinical development, laboratory testing and clinical trials for our product candidates;
- the costs of manufacturing our product candidates for clinical trials and in preparation for marketing approval and commercialization;
- the extent to which we enter into collaborations or other arrangements with additional third parties in order to further develop our product candidates;
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending intellectual property-related claims;
- the costs and fees associated with the discovery, acquisition or in-license of additional product candidates or technologies;
- expenses needed to attract and retain skilled personnel;
- costs associated with being a public company;
- the costs required to scale up our clinical, regulatory and manufacturing capabilities;
- the costs of future commercialization activities, if any, including establishing sales, marketing, manufacturing and distribution capabilities, for any of our product candidates for which we receive marketing approval; and
- revenue, if any, received from commercial sales of our product candidates, should any of our product candidates receive marketing approval.

We will need additional funds to meet operational needs and capital requirements for clinical trials, other research and development expenditures, and business development activities. We currently have no credit facility or committed sources of capital. Because of the numerous risks and uncertainties associated with the development and commercialization of our product candidates, we are unable to estimate the amounts of increased capital outlays and operating expenditures associated with our current and anticipated clinical studies.

In May 2024, we filed a shelf registration statement (the "2024 Shelf Registration Statement") with the Securities and Exchange Commission for the issuance of common stock, preferred stock, debt securities, warrants, subscription rights and units up to an aggregate amount of \$400 million. The 2024 Shelf Registration statement was declared effective on June 10, 2024. The 2024 Shelf Registration statement expires in May 2027, and as of March 31, 2026, there was \$400 million remaining under the 2024 Shelf Registration Statement. Subsequent to March 31, 2026, the Company sold 16,611,014 shares of its voting common stock at a price of \$4.44 per share and pre-funded warrants to purchase up to 3,659,252 shares of its common stock at a price of \$4.4399 per pre-funded warrant, resulting in gross proceeds of approximately \$90.0 million under the 2024 Shelf Registration Statement.

In March 2023, we entered into an Open Market Sales Agreement (the "Sales Agreement") with Jefferies LLC, as the sales agent, pursuant to which we may offer and sell shares of our common stock. In accordance with the terms of the Sales Agreement on March 12, 2026, we filed a prospectus supplement under our 2024 Shelf Registration Statement, pursuant to which we may offer and sell shares of our common stock having an aggregate offering price of up to \$25.0 million from time to time through Jefferies acting as sales agent.

Until such time, if ever, as we can generate substantial product revenue, we expect to finance our operations through a combination of equity offerings, debt financings, collaborations, strategic alliances and marketing, distribution or licensing arrangements. To the extent that we raise additional capital through the sale of equity or convertible debt securities, ownership interests will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of common stockholders. Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making acquisitions or capital expenditures or declaring dividends. If we raise additional funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates, or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings or other arrangements when needed, we may be required to delay, limit, reduce or terminate our research, product development or future commercialization efforts, or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves.

Cash Flows

The following table shows a summary of our cash flows for the periods indicated:

(in thousands)	Three months ended March 31,	
	2026	2025
Net cash used in operating activities	\$ (21,685)	\$ (34,231)
Net cash provided by investing activities	8,499	62,186
Net cash used in financing activities	(314)	(160)
Net (decrease) increase in cash, cash equivalents and restricted cash	\$ (13,500)	\$ 27,795

Operating Activities

During the three months ended March 31, 2026, we used \$21.7 million of cash in operating activities. Cash used in operating activities reflected our net loss of \$10.4 million and a \$13.7 million net decrease in our operating assets and liabilities offset by noncash charges of \$2.4 million, which primarily consisted of stock-based compensation. The primary use of cash was to fund our operations related to the development of our product candidates.

During the three months ended March 31, 2025, we used \$34.2 million of cash in operating activities. Cash used in operating activities reflected our net loss of \$32.1 million and a \$6.9 million net increase in our operating assets and liabilities offset by noncash charges of \$4.7 million, which primarily consisted of stock-based compensation. The primary use of cash was to fund our operations related to the development of our product candidates.

Investing Activities

During the three months ended March 31, 2026, net cash provided by investing activities of \$8.5 million consisted of proceeds from maturities of marketable securities. During the three months ended March 31, 2025, net cash used in investing activities of \$62.2 million consisted primarily of \$71.7 million in proceeds from maturities of marketable securities, partially offset by \$9.5 million in purchases of marketable securities.

Financing Activities

During the three months ended March 31, 2026, net cash used in financing activities primarily related to payments of offering costs. During the three months ended March 31, 2025 net cash used in financing activities was primarily for principal payments on our finance lease.

Critical Accounting Estimates

During the three months ended March 31, 2026, there were no other material changes to our critical accounting policies and estimates from those described under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations-Critical Accounting Estimates” in our 2025 Annual Report on Form 10-K.

Smaller Reporting Company Status

We are a “smaller reporting company,” as defined in Rule 405 under the Securities Act. We may continue to be a smaller reporting company in any given year if either (i) the market value of our stock held by non-affiliates is less than \$250 million as of June 30 in the most recently completed fiscal year or (ii) our annual revenue is less than \$100 million during the most recently completed fiscal year and the market value of our stock held by non-affiliates is less than \$700 million as of June 30 in the most recently completed fiscal year. Specifically, as a smaller reporting company we may choose to present only the two most recent fiscal years of audited financial statements in our Annual Report on Form 10-K and smaller reporting companies have scaled disclosure obligations regarding executive compensation.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are a smaller reporting company as defined by Rule 12b-2 of the Exchange Act and are not required to provide the information required under this item with respect to the period ending March 31, 2026.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedure

As of March 31, 2026, management, with the participation of our Principal Executive Officer and Principal Financial and Accounting Officer, performed an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended, or the Exchange Act. Our disclosure controls and procedures are designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including the Principal Executive Officer and the Principal Financial and Accounting Officer, to allow timely decisions regarding required disclosures. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objective and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on this evaluation, our Principal Executive Officer and Principal Financial and Accounting Officer concluded that, as of March 31, 2026, the design and operation of our disclosure controls and procedures were effective at a reasonable assurance level.

Changes in Internal Control over Financial Reporting

Management determined that, as of March 31, 2026, there were no changes in our internal control over financial reporting that occurred during the fiscal quarter then ended that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II— OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we may be involved in legal proceedings arising in the ordinary course of our business. In addition, we may receive letters alleging infringement of patents or other intellectual property rights. We are not presently a party to any legal proceedings that, in the opinion of management, would have a material adverse effect on our business, operating results, cash flows or financial conditions should such litigation be resolved unfavorably. Regardless of outcome, litigation can have an adverse impact on us due to defense and settlement costs, diversion of management resources, negative publicity and reputational harm, and other factors.

Item 1A. Risk Factors

Investing in our common stock involves a high degree of risk. Before making your decision to invest in shares of our common stock, you should carefully consider the risks and uncertainties described under Part I, Item 1A, “Risk Factors” in our 2025 Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 10, 2026.

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

During the three months ended March 31, 2026 we did not issue or sell any unregistered securities not previously disclosed in a Quarterly Report on Form 10-Q or in a Current Report on Form 8-K.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Furnish the exhibits required by Item 601 of Regulation S-K (§ 229.601 of this chapter).

<u>Exhibit Number</u>	<u>Description</u>	<u>Form</u>	<u>File No.</u>	<u>Exhibit No.</u>	<u>Exhibit Filing Date</u>	<u>Filed/Furnished Herewith</u>
4.1	Form of Pre-Funded Warrant	8-K	001-39527	4.1	April 21, 2026	
10.1	Executive Employment Agreement, dated April 14, 2026, by and between Prelude Therapeutics Incorporated and Charles Morris					X
10.2	Executive Employment Agreement, dated April 5, 2024, by and between Prelude Therapeutics Incorporated and Sean Brusky					X
10.3	Underwriting Agreement, dated April 20, 2026, by and between Prelude Therapeutics Incorporated and Goldman Sachs & Co. LLC and Evercore Group L.L.C. as representative.	8-K	001-39527	1.1	April 21, 2026	
31.1	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
31.2	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.					X
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.					X
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File as its XBRL tags are embedded within the Inline XBRL document					X
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents					X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)					X

**The certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Form 10-Q and are not deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section, nor shall they be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.*

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.

Prelude Therapeutics Incorporated

Date: May 12, 2026

By: _____
/s/ Krishna Vaddi
Krishna Vaddi, PhD
Chief Executive Officer
(Principal Executive Officer)

Date: May 12, 2026

By: _____
/s/ Bryant Lim
Bryant Lim
Chief Financial Officer
(Principal Financial and Accounting Officer)

EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement (the “**Agreement**”), made between Prelude Therapeutics Incorporated, a Delaware corporation (the “**Company**”), and Charles Morris (“**Executive**” and, collectively with the Company, the “**Parties**”), is entered into as of the last signed party (the “Effective Date”).

WHEREAS, the Company desires to employ Executive as the Company’s Chief Medical Officer.

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

1. **Employment by the Company.**

1.1 Employment. This Agreement shall govern the terms of Executive’s employment with the Company, which shall commence as of April 20, 2026 or such other date as mutually determined by Executive and the Company (such date, the “**Start Date**”).

1.2 Position. Executive shall serve as the Company’s Chief Medical Officer. During the term of Executive’s employment with the Company hereunder, Executive will devote Executive’s best efforts and substantially all of Executive’s business time and attention to the business of the Company, except as otherwise set forth in Section 11.1.

1.3 Duties and Location. Executive shall perform such duties as are typically performed by a Chief Medical Officer. Executive will initially report to the Company’s Chief Executive Officer. Executive’s primary office location shall be the Company’s office located in Wilmington, Delaware.

1.4 Policies and Procedures. The employment relationship between the Parties shall be governed by the general employment policies and practices of the Company, except that when the terms of this Agreement differ from or are in conflict with the Company’s general employment policies or practices, this Agreement shall control.

2. **Compensation.**

2.1 Salary. For services to be rendered hereunder, Executive shall receive a base salary at the rate of five hundred thirty five thousand U.S. Dollars (\$535,000) per year (such base salary, as in effect from time to time, the “**Base Salary**”), subject to standard payroll deductions and withholdings and payable in accordance with the Company’s regular payroll schedule.

2.2 Annual Bonus; Sign-On Bonus. Executive will be eligible for an annual discretionary bonus with a target amount equal to 40% of Executive’s Base Salary (the “**Annual Bonus**”), which shall be prorated for Executive’s initial year of employment. Whether Executive receives an Annual Bonus for any given year, and the amount of any such Annual Bonus, will be determined by the board of directors of the Company (the “**Board**”) or the compensation

committee thereof in its sole discretion based upon the Company's achievement of objectives and milestones to be determined at the beginning of each year and mutually agreed upon by Executive and the Company's Chief Executive Officer and approved by the compensation committee of the Board. Executive will not be eligible for, and will not earn, any Annual Bonus (including a prorated bonus) if Executive's employment terminates for any reason before any Annual Bonus is paid.

2.3 Equity. Subject to approval by the Board or the compensation committee thereof, the Company will grant Executive an option to purchase four hundred fifty thousand (450,000) shares of the Company's common stock, with a per share exercise price equal to the fair market value of a share of the Company's common stock on the date of grant, as determined by the Board or the compensation committee thereof in accordance with the Company's customary stock option granting practices (the "**Option**"). Subject to approval by the Board, the Option will be granted on the first business day of the month following the Start Date. 1/4th of the shares underlying the Option will vest and become exercisable on the one-year anniversary of the Start Date, and 1/48th of the shares underlying the Option will vest and become exercisable on a monthly basis thereafter, such that 100% of the shares underlying the Option shall be vested and exercisable as of the four-year anniversary of the Start Date, in each case so long as Executive remains employed by the Company through each applicable vesting date. If the applicable vesting schedule results in a fractional share, such fractional share shall not vest until the immediately following vesting date. The Option will be subject to the terms and conditions consistent with those provided in the Company's 2020 Equity Incentive Plan, and will be governed in all respects by the terms of the applicable stock option agreement to be entered into between Executive and the Company, except as specifically provided herein. Further details regarding the Option will be provided to the Executive upon approval of such grant by the Board. Executive may be considered for future grants of equity awards in the discretion of the Board or the compensation committee thereof pursuant to its regular review process.

3. Standard Company Benefits. Executive shall be entitled to accrue four weeks of paid time off per annum and participate in all other employee benefit programs for which Executive is eligible under the terms and conditions of the benefit plans that may be in effect from time to time and provided by the Company to its employees.

4. Expenses. The Company will reimburse Executive for reasonable travel, entertainment or other expenses incurred by Executive in furtherance or in connection with the performance of Executive's duties hereunder, in accordance with the Company's expense reimbursement policy as in effect from time to time.

5. Termination of Employment; Severance.

5.1 At-Will Employment. Executive's employment relationship is at-will. Either Executive or the Company may terminate the employment relationship at any time, with or without Cause (as defined below) or advance notice. In the event Executive's employment relationship is terminated for any reason, Executive shall be entitled to receive Executive's earned but unpaid Base Salary, unreimbursed business expenses properly incurred by Executive pursuant to Section 4 and any other compensation or benefit earned by or owed to (but not yet paid to) Executive through and including the date of termination, payable in a lump sum on the next regularly scheduled payroll date following the date on which Executive's employment terminated,

or at such other date as shall be specified under the terms of the employee benefit plan pursuant to

which such compensation or benefit is payable. Executive shall also resign from all positions and terminate any relationships as an employee, advisor, officer or director with the Company and any of its affiliates, each effective on the date of termination.

5.2 Severance Benefits for Termination Without Cause Unrelated to a Change of Control. In the event Executive's employment with the Company is terminated by the Company without Cause prior to a Change of Control (as defined below) or more than twelve (12) months following a Change of Control, the Company shall provide Executive with the following payments and benefits, provided that Executive remains in compliance with the terms of this Agreement and the Restrictive Covenant Agreement (as defined below) and subject to Section 6 below:

(i) The Company shall pay Executive, as severance, the equivalent of nine (9) months of Executive's Base Salary as in effect as of the date of Executive's employment termination. This severance will be paid in the form of salary continuation, payable on the Company's regular payroll dates, subject to standard payroll deductions and withholdings, starting on the 60th day after Executive's termination date, with the first payment to include those payments that would have occurred earlier but for the 60-day delay.

5.3 Provided that Executive is then eligible for and timely elects continued coverage under COBRA, the Company shall directly pay, or reimburse Executive for, the monthly COBRA premiums to continue Executive's coverage (including coverage for eligible dependents, if applicable) through the period starting on Executive's termination date and ending on the earliest to occur of: (a) nine (9) months following Executive's termination date; (b) the date Executive becomes eligible for group health insurance coverage through a new employer; or (c) the date Executive ceases to be eligible for COBRA continuation coverage for any reason, including plan termination. In the event Executive becomes covered under another employer's group health plan or otherwise ceases to be eligible for COBRA during this time period, Executive must immediately notify the Company of such event. Notwithstanding the foregoing, if the Company determines, in its sole discretion, that it cannot pay the COBRA premiums without a substantial risk of violating applicable law, the Company instead shall pay to Executive, on the first day of each calendar month, a fully taxable cash payment equal to the applicable COBRA premiums for that month, subject to applicable tax withholdings, for the remainder of the COBRA premium period. Executive may, but is not obligated to, use such payments toward the cost of COBRA premiums.

5.4 Severance Benefits for Termination Without Cause or Resignation with Good Reason Related to a Change of Control. In the event Executive's employment with the Company is terminated by the Company without Cause or Executive resigns for Good Reason in each case during the twelve (12) month period immediately following a Change of Control, the Company shall provide Executive with the following payments and benefits, provided that Executive remains in compliance with the terms of this Agreement and the Restrictive Covenant Agreement and subject to Section 6 below:

(i) The Company shall pay Executive, as severance, the equivalent of twelve (12) months of Executive's Base Salary as in effect as of the date of Executive's employment termination (disregarding any change to Executive's Base Salary giving rise to Good

Reason). This severance will be paid in the form of salary continuation, payable on the Company's regular payroll dates, subject to standard payroll deductions and withholdings, starting on the 60th

day after Executive's termination date, with the first payment to include those payments that would have occurred earlier but for the 60-day delay.

(ii) In addition, the Company shall pay Executive, as severance, an amount equal to one hundred percent (100%) of Executive's target annual bonus as in effect as of the date of Executive's employment termination (disregarding any change to Executive's Base Salary giving rise to Good Reason), payable in a lump sum, less deductions and withholdings, at the same time as the first severance payment described in Section 5.3(i) above. For the avoidance of doubt, the amount payable pursuant to this Section 5.3(ii) shall not be subject to proration based on the portion of the year elapsed as of the date of termination.

(iii) Provided that Executive is then eligible for and timely elects continued coverage under COBRA, the Company shall directly pay, or reimburse Executive for, the monthly COBRA premiums to continue Executive's coverage (including coverage for eligible dependents, if applicable) through the period starting on Executive's termination date and ending on the earliest to occur of: (a) twelve (12) months following Executive's termination date; (b) the date Executive becomes eligible for group health insurance coverage through a new employer; or (c) the date Executive ceases to be eligible for COBRA continuation coverage for any reason, including plan termination. In the event Executive becomes covered under another employer's group health plan or otherwise ceases to be eligible for COBRA during this time period, Executive must immediately notify the Company of such event. Notwithstanding the foregoing, if the Company determines, in its sole discretion, that it cannot pay the COBRA premiums without a substantial risk of violating applicable law, the Company instead shall pay to Executive, on the first day of each calendar month, a fully taxable cash payment equal to the applicable COBRA premiums for that month, subject to applicable tax withholdings, for the remainder of the COBRA premium period. Executive may, but is not obligated to, use such payments toward the cost of COBRA premiums.

(iv) The vesting of all unvested equity-based incentive compensation awards outstanding as of the date of such Change in Control and held by Executive as of the date of such termination shall be accelerated such that 100% of the shares underlying such awards shall be deemed immediately vested and, in the case of stock options, exercisable; *provided that*, in the case of any unvested equity-based incentive compensation awards that are subject to performance-based vesting terms as of the date of such termination, the treatment of such performance-based vesting conditions shall be governed by the applicable equity plan and award agreement.

5.5 Termination for Cause; Resignation Without Good Reason; Death or Disability.

(i) If Executive resigns for any reason prior to or more than twelve (12) months following a Change in Control, resigns without Good Reason within the twelve (12) months following a Change in Control, or the Company terminates Executive's employment for Cause, Executive shall not be entitled to receive any payments or benefits under this Agreement, other than as set forth in Section 5.1.

(ii) Executive's employment shall terminate automatically upon Executive's death or Total Disability. "**Total Disability**" shall mean Executive's inability, with reasonable accommodation, to perform the duties of Executive's position for a period or periods aggregating ninety (90) calendar days in any period of one hundred eighty days (180) consecutive

days as a result of physical or mental illness, loss of legal capacity or any other cause beyond Executive's control. Executive and the Company hereby acknowledge that Executive's ability to perform the duties specified in Section 1 is the essence of this Agreement. Termination hereunder shall be deemed to be effective (a) at the end of the calendar month in which Executive's death occurs or (b) immediately upon a determination by the Board or the compensation committee thereof of Executive's Total Disability. In the case of termination of employment under this Section 5.4(ii), Executive shall not be entitled to receive any payments or benefits under this Agreement, other than as set forth in Section 5.1.

6. Conditions to Receipt of Severance Benefits. As a condition to receiving the payments and benefits set forth in Section 5.2 and Section 5.3, (i) Executive must execute and deliver to the Company a release of claims in a form reasonably acceptable to the Company and such release must have become effective and the revocation period provided therein must have expired without Executive having revoked such release within the 60-day period following the date of termination, and (ii) Executive must not have revoked or breached the provisions of such release or breached the provisions of the Restrictive Covenant Agreement. In the event that Executive does not execute and deliver such release, such release does not become effective and irrevocable within such period or Executive revokes or breaches the provisions of the release or breaches the provisions of the Restrictive Covenant Agreement, Executive (A) will be deemed to have voluntarily resigned Executive's employment hereunder without Good Reason, (B) will not be entitled to the payments, benefits or accelerated vesting described in Section 5.2 or Section 5.3 and (C) will be required to reimburse the Company, in cash within five business days after written demand is made by the Company therefore, for an amount equal to the value of any payments or benefits Executive received pursuant to Section 5.2 or Section 5.3.

7. Section 409A. It is intended that all of the severance benefits and other payments payable under this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code" and "Section 409A") provided under Treasury Regulations 1.409A1(b)(4), 1.409A1(b)(5) and 1.409A1(b)(9), and this Agreement will be construed to the greatest extent possible as consistent with those provisions, and to the extent not so exempt, this Agreement (and any definitions hereunder) will be construed in a manner that complies with Section 409A. All payments and benefits that are payable upon a termination of employment hereunder shall be paid or provided only upon Executive's "separation from service" from the Company (within the meaning of Section 409A). For purposes of Section 409A (including, without limitation, for purposes of Treasury Regulation Section 1.409A2(b)(2)(iii)), Executive's right to receive any installment payments under this Agreement (whether severance payments, reimbursements or otherwise) shall be treated as a right to receive a series of separate payments and, accordingly, each installment payment hereunder shall at all times be considered a separate and distinct payment. Notwithstanding any provision to the contrary in this Agreement, if Executive is deemed by the Company at the time of Executive's termination to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i), and if any of the payments upon termination set forth herein and/or under any other agreement with the Company are deemed to be "deferred compensation", then to the extent delayed commencement of any portion of such payments is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) and the related adverse taxation under Section 409A, such payments shall not be provided to Executive prior to the earliest of (i) the expiration of the six-month period measured from the date of Executive's termination with the

Company, (ii) the date of Executive's death or (iii) such earlier date as permitted under Section 409A without the imposition of adverse taxation. Upon the first business day following the expiration of such applicable Section 409A(a)(2)(B)(i) period, all payments deferred pursuant to this Section 7 shall be paid in a lump sum to Executive, and any remaining payments due shall be paid as otherwise provided herein or in the applicable agreement. No interest shall be due on any amounts so deferred.

8. Section 280G. In the event that the severance and other benefits provided for in this Agreement or otherwise payable to Executive (i) constitute "parachute payments" within the meaning of Section 280G of the Code and (ii) but for this Section 8, would be subject to the excise tax imposed by Section 4999 of the Code, then, Executive's severance and other benefits under this Agreement shall be payable either (i) in full, or (ii) as to such lesser amount which would result in no portion of such severance and other benefits being subject to the excise tax under Section 4999 of the Code, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999 of the Code, results in the receipt by Executive on an after-tax basis of the greatest amount of severance benefits under this Agreement, notwithstanding that all or some portion of such severance benefits may be taxable under Section 4999 of the Code. Any reduction shall be made in the following order: (i) reduction of cash payments, (ii) cancellation of accelerated vesting of equity awards, and (iii) reduction of other benefits payable to Executive. Unless the Company and Executive otherwise agree in writing, any determination required under this Section 8 shall be made in writing by the Company's independent public accountants (the "Accountants"), whose determination shall be conclusive and binding upon Executive and the Company for all purposes. For purposes of making the calculations required by this Section 8, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and Executive shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section 8. The Company shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Section 8.

9. Definitions.

9.1 Cause. For purposes of this Agreement, "Cause" for termination will mean: (i) a material breach of any of Executive's obligations or duties pursuant to this Agreement or the Restrictive Covenant Agreement, which remains uncured seven days after Executive becomes aware of the breach by formal written notification by the Company; (ii) gross negligence, willful misconduct or breach of fiduciary duty in the course of employment; (iii) any action or activity that is contrary to applicable insider trading rules or any other applicable securities rules or legislation; (iv) a material act or omission involving substantial dishonesty or fraud that harms or would reasonably be expected to harm the Company; or (v) commission of, conviction or indictment for, or plea of no contest to, any felony (or state law equivalent) or any crime involving moral turpitude.

9.2 Good Reason. For purposes of this Agreement, "Good Reason" will mean any of the following actions taken by the Company without Executive's prior written consent: (i) a material adverse change in Executive's position, title, office or duties or assignment of any

significant duties to Executive that are materially inconsistent with the position or offices held by Executive; (ii) Executive no longer serving as a Section 16 officer or, if the Company's ultimate parent following a Change in Control is not a public company, not reporting to the Chief Executive Officer of the Company's ultimate parent); (iii) a decrease in Executive's base salary by more than 10% (other than in connection with a broad-based reduction in the base salaries of all other officers of the Company); or (iv) a relocation that increases Executive's one-way commute by more than 25 miles. In order to resign for Good Reason, Executive must provide written notice to the Company's Chief Executive Officer within 60 days after the first occurrence of the event giving rise to Good Reason setting forth the basis for Executive's resignation, allow the Company at least 30 days from receipt of such written notice to cure such event, and if such event is not reasonably cured within such period, Executive must resign from all positions Executive then holds with the Company not later than 90 days after the expiration of such cure period.

9.3 Change of Control. For purposes of this Agreement, "**Change of Control**" means the occurrence of one or more of the following: (a) a merger, a consolidation, a reorganization or an arrangement that results in a transfer of more than fifty percent (50%) of the total voting power of the Company's outstanding securities to a person or a group of persons different from a person or a group of persons holding those securities immediately prior to such transaction (other than the Company or a person that directly or indirectly controls, is controlled by, or is under common control with, the Company); (b) a direct or indirect sale or other transfer of beneficial ownership of securities of the Company possessing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities to a person or a group of persons different from a person or a group of persons holding those securities immediately prior to such transaction (other than the Company or a person that directly or indirectly controls, is controlled by, or is under common control with, the Company); (c) a direct or indirect sale or other transfer of the right to appoint more than fifty percent (50%) of the directors of the Board or otherwise directly or indirectly control the management, affairs and business of the Company to a person or a group of persons different from a person or a group of persons holding this right immediately prior to such transaction (other than the Company or a person that directly or indirectly controls, is controlled by, or is under common control with, the Company); (d) a direct or indirect sale or other transfer of all or substantially all of the assets of the Company to a person or a group of persons different from a person or a group of persons holding those assets immediately prior to such transaction (other than the Company or a person that directly or indirectly controls, is controlled by, or is under common control with, the Company); or (e) a complete liquidation, dissolution or winding-up of the Company; *provided, however*, that a Change in Control will not be deemed to have occurred if such Change in Control results solely from the issuance, in connection with a bona fide financing or series of financings by the Company, of voting securities of the Company or any rights to acquire voting securities of the Company which are convertible into voting securities.

10. Proprietary Information Obligations. As an employee of the Company, Executive will have access to certain confidential information of the Company and Executive may, during the course of Executive's employment develop certain information or inventions that will be the property of the Company. To protect the Company's interests, as a condition of employment, Executive must execute and abide by the Employee Proprietary Information, Restrictive Covenant and Invention Assignment Agreement attached here to as Exhibit A (the "**Restrictive Covenant Agreement**").

11. Outside Activities During Employment.

11.1 Non-Company Business. Except with the prior written consent of the Board, Executive will not during the term of Executive's employment with the Company undertake or engage in any other employment, occupation or business enterprise, other than ones in which Executive is a passive investor, provided that they do not violate the Restrictive Covenant Agreement. Executive may engage in civic and not-for-profit activities so long as such activities do not materially interfere with the performance of Executive's duties hereunder.

11.2 No Adverse Interests. Executive agrees not to acquire, assume or participate in, directly or indirectly, any position, investment or interest known to be adverse or antagonistic to the Company, its business or prospects, financial or otherwise.

12. Dispute Resolution. To ensure the timely and economical resolution of disputes that may arise in connection with Executive's employment with the Company, Executive and the Company agree that any and all disputes, claims, or causes of action arising from or relating to the enforcement, breach, performance, negotiation, execution, or interpretation of this Agreement, Executive's employment, or the termination of Executive's employment, including but not limited to statutory claims, shall be resolved to the fullest extent permitted by law by final, binding and confidential arbitration, by a single arbitrator, in Wilmington, Delaware conducted by JAMS, Inc. ("JAMS") under the then applicable JAMS rules or by another arbitration company if mutually agreed upon by Executive and Board. By agreeing to this arbitration procedure, both Executive and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding. The Company acknowledges that Executive will have the right to be represented by legal counsel at any arbitration proceeding. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award. The arbitrator shall be authorized to award any or all remedies that Executive or the Company would be entitled to seek in a court of law. The Company shall pay all JAMS' arbitration fees in excess of the amount of court fees that would be required of Executive if the dispute were decided in a court of law. Nothing in this Agreement is intended to prevent either Executive or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Any awards or orders in such arbitrations may be entered and enforced as judgments in the federal and state courts of any competent jurisdiction.

13. General Provisions.

13.1 Notices. Any notices provided must be in writing and will be deemed effective upon the earlier of personal delivery (including personal delivery by fax) or the next day after sending by overnight carrier, to the Company at its primary office location and to Executive at the address as listed on the Company payroll.

13.2 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, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction to the extent possible in keeping with the intent of the parties.

13.3Waiver. Any waiver of any breach of any provisions of this Agreement must be in writing to be effective, and it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

13.4Complete Agreement. This Agreement, together with the Restrictive Covenant Agreement, constitutes the entire agreement between Executive and the Company with regard to this subject matter and is the complete, final, and exclusive embodiment of the Parties' agreement with regard to this subject matter, and supersedes all prior or contemporaneous offers, negotiations and agreements, whether written or oral, relating to such subject matter. This Agreement is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties or representations. It is entered into without reliance on any promise or representation other than those expressly contained herein, and it cannot be modified or amended except in a writing signed by a duly authorized officer of the Company.

13.5Counterparts. 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.

13.6Headings. The headings of the paragraphs hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

13.7Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive and the Company, and their respective successors, assigns, heirs, executors and administrators, except that Executive may not assign any of Executive's duties hereunder and Executive may not assign any of Executive's rights hereunder without the written consent of the Company.

13.8Tax Withholding and Indemnification. All payments and awards contemplated or made pursuant to this Agreement will be subject to withholdings of applicable taxes in compliance with all relevant laws and regulations of all appropriate government authorities. Executive acknowledges and agrees that the Company has neither made any assurances nor any guarantees concerning the tax treatment of any payments or awards contemplated by or made pursuant to this Agreement. Executive has had the opportunity to retain a tax and financial advisor and fully understands the tax and economic consequences of all payments and awards made pursuant to the Agreement.

13.9Choice of Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the laws of the State of Delaware.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first written above.

PRELUDE THERAPEUTICS INCORPORATED

By: /s/ Michele Porreca
Title: Chief People Officer
Date: 14 April 2026

CHARLES MORRIS

/s/ Charles Morris
Date: 03 April 2026

Exhibit A

Employee Proprietary Information, Restrictive Covenant and Invention Assignment Agreement

EXECUTIVE EMPLOYMENT AGREEMENT

This Executive Employment Agreement (the “**Agreement**”), made between Prelude Therapeutics Incorporated, a Delaware corporation (the “**Company**”), and Sean Brusky (“**Executive**” and, collectively with the Company, the “**Parties**”), is entered into as of April 5, 2024.

WHEREAS, the Company desires to employ Executive as the Company’s Chief Business Officer, and the Executive desires to accept such employment, on the terms and conditions set forth in this Agreement;

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

1. Employment by the Company.

1.1 Employment. This Agreement shall govern the terms of Executive’s employment with the Company, which shall commence as of April 8, 2024, or such other date as mutually determined by Executive and the Company (such date, the “**Start Date**”).

1.2 Position. Executive shall serve as the Company’s Chief Business Officer. This is an exempt position, and during the term of Executive’s employment with the Company hereunder, Executive will devote Executive’s best efforts and substantially all of Executive’s business time and attention to the business of the Company, except as otherwise set forth in Section 12.1.

1.3 Duties and Location. Executive shall perform such duties as are typically performed by a Chief Business Officer. Executive will initially report to the Company’s Chief Executive Officer. The Company shall permit Executive to work remotely from his home office in California (the “**Remote Work Location**”) provided that he dutifully performs his job duties and abides by all other Company policies. The Company reserves the right to require Executive to perform Executive’s duties at places other than Executive’s primary office location on occasion from time to time, and to require reasonable business travel to the Company’s primary office in Wilmington, Delaware, and other locations. The Company may modify Executive’s job title and duties as it deems necessary and appropriate in light of the Company’s needs and interests from time to time. Executive agrees to notify the Company in writing if he intends to change the Remote Work Location.

1.4 Policies and Procedures. The employment relationship between the Parties shall be governed by the general employment policies and practices of the Company, except that when the terms of this Agreement differ from or are in conflict with the Company’s general employment policies or practices, this Agreement shall control.

1.5 Uniqueness of Executive’s Services. The Executive hereby represents and agrees that the services to be performed under the terms of this Agreement are of a special, unique, unusual, extraordinary, and intellectual character that gives them a unique value, the loss of which cannot be adequately compensated in damages in an action at law as described in Labor

Code Section 2855(a) and for purposes thereof. The Executive, therefore, expressly agrees that the

Company, in addition to any other rights or remedies that the Company may possess, shall be entitled to injunctive and other equitable relief to prevent or remedy the breach of this Agreement by the Executive.

2. Compensation and Benefits.

2.1 Base Salary. For services to be rendered hereunder, the Company agrees to pay the Executive a base salary at an annual rate of not less than Four Hundred Fifteen Thousand U.S. Dollars (\$415,000) (the “**Base Salary**”), subject to standard payroll deductions and withholdings and payable in accordance with the Company’s regular payroll schedule.

2.2 Annual Bonus; Sign-On Bonus. Executive will be eligible for an annual discretionary bonus with a target amount equal to 40% of Executive’s Base Salary (the “**Annual Bonus**”), which shall be prorated for Executive’s initial year of employment. Whether Executive receives an Annual Bonus for any given year, and the amount of any such Annual Bonus, will be determined by the board of directors of the Company (the “**Board**”) or the compensation committee thereof in its sole discretion based upon the Company’s achievement of objectives and milestones to be determined at the beginning of each year and mutually agreed upon by Executive and the Company’s Chief Executive Officer and approved by the compensation committee of the Board. Executive will not be eligible for, and will not earn, any Annual Bonus (including a prorated bonus) if Executive’s employment terminates for any reason before any Annual Bonus is paid.

2.3 Equity. Subject to approval by the Board or the compensation committee thereof, the Company will grant Executive an option to purchase Three Hundred Thousand (300,000) shares of the Company’s common stock, with a per share exercise price equal to the fair market value of a share of the Company’s common stock on the date of grant, as determined by the Board or the compensation committee thereof in accordance with the Company’s customary stock option granting practices (the “**Option**”). Subject to approval by the Board, the Option will be granted on the first business day of the month following the Start Date. One-fourth (1/4th) of the shares underlying the Option will vest and become exercisable on the one-year anniversary of the Start Date, and one-forty-eighth (1/48th) of the shares underlying the Option will vest and become exercisable on a monthly basis thereafter, such that 100% of the shares underlying the Option shall be vested and exercisable as of the four-year anniversary of the Start Date, in each case so long as Executive remains employed by the Company through each applicable vesting date. If the applicable vesting schedule results in a fractional share, such fractional share shall not vest until the next vesting date. The Option will be subject to the terms and conditions consistent with those provided in the Company’s 2020 Equity Incentive Plan, and will be governed in all respects by the terms of the applicable stock option agreement to be entered into between Executive and the Company, except as specifically provided herein. Further details regarding the Option will be provided to the Executive upon approval of such grant by the Board. Executive may be considered for future grants of equity awards in the discretion of the Board or the compensation committee thereof pursuant to its regular review process commencing in the first fiscal quarter of 2022.

2.4 Clawback. Notwithstanding any other provisions in this Agreement to the contrary, any incentive-based compensation, and any other compensation, paid or payable to the Executive pursuant to this Agreement or any other agreement or arrangement with the Company which is subject to recovery under any law, government regulation, order or stock exchange listing requirement, will be subject to such deductions and clawback (recovery) as may be required to be made pursuant to law, government regulation, order, stock exchange listing requirement as it

relates specifically to the Frank-Dodd Act. The Executive specifically authorizes the Company to withhold from his future wages any amounts that may become due under this provision. This Section will survive the termination of this Agreement for a period of three (3) years.

3. Standard Company Benefits. Executive shall be eligible to participate in all other employee benefit programs for which Executive is eligible under the terms and conditions of the benefit plans that may be in effect from time to time and provided by the Company to its employees. The Company may, in its sole discretion and from time to time, amend, eliminate or establish additional benefit programs, as it deems appropriate.

4. Paid and Unpaid Leave. Executive will be eligible for paid and/or unpaid leave (including but not limited to vacation and sick leave) in accordance with the Company's Employee Handbook. The Company's leave policies may be amended from time to time by the Company in its sole discretion (or a committee thereof). Notwithstanding the provisions of the aforementioned policies, Executive shall be entitled to accrue four (4) weeks of paid time off per annum.

5. Expenses. The Company shall reimburse Executive for Executive's necessary and reasonable business expenses incurred by Executive in furtherance of or in connection with the performance of Executive's duties hereunder, in accordance with the Company's expense reimbursement policy as in effect from time to time.

6. Conflicts and Confidentiality.

6.1 Non-Disclosure of Prior Employers' Confidential Information and No Conflicting Obligation.

By executing this Agreement, Executive agrees and represents that Executive will not disclose to the Company or induce the Company to use any confidential or proprietary information belonging to any former employer of Executive or any other third party. Executive also represents and warrants that Executive has not taken or retained, and is not in possession of, any business materials or documents belonging to any former employer or third party. Executive hereby acknowledges that the Company has advised Executive that Executive is strictly prohibited from bringing such materials or documents onto the Company's premises, providing such materials or documents to Company personnel, or using them in connection with Executive's employment with the Company. Further, Executive represents and warrants to the Company that the performance of Executive's job duties for the Company will not violate, cause the breach of, or conflict with any prior agreement, contract, or understanding between Executive and any third party or otherwise violate any confidence of another. Executive represents and warrants that Executive is not subject to any post-employment restrictions that would prohibit or limit Executive's employment by the Company.

6.2 Employee Invention Assignment and Restrictive Covenant Agreement. Executive agrees, as a condition of employment with the Company and as a material part of the consideration for the Company's commitment to the terms of this Agreement, to sign the Employee Invention Assignment, Confidentiality, and Restrictive Covenant Agreement attached hereto as Exhibit "A" (the "Restrictive Covenant Agreement").

6.3 Non-Disclosure and Use of Trade Secrets. During the Period of Employment and after the termination, Executive shall not:

(i) Use or disclose the Company's trade secret information, to, directly or indirectly, through any other individual or entity, induce or attempt to induce any employee or

independent contractor of the Company to leave the employment or service of the Company, or in any way interfere with the relationship between the Company, on the one hand, and any employee or independent contractor thereof, on the other hand;

(ii) solicit Confidential Information (as defined in the Restrictive Covenant Agreement), including trade secrets, from any employee of the Company which Executive knows or has reason to know is likely to have access to such information; or

(iii) use or disclose the Company's trade secret information to identify existing or prospective customers, to facilitate (directly or indirectly) the solicitation of such existing and prospective customers or to influence customers, vendors, suppliers, licensors, lessors, joint venturers, associates, consultants, agents, or partners of the Company to divert their business away from the Company. Further, Executive will not use the Company's trade secret information to otherwise interfere with, disrupt or attempt to disrupt the business relationships, contractual or otherwise, of the Company or to otherwise unfairly compete with the Company.

For purposes of this Agreement, the term "**trade secrets**" means, without limitation, Confidential Information that (a) derives independent economic value, actual or potential, from not being generally known to the public or to other persons who can obtain economic value from its disclosure or use, and (b) is subject to efforts that are reasonable under the circumstances to maintain its secrecy. The Executive hereby represents that the Executive has no intention of competing against the Company at any time by using the Company's trade secrets and understands that the Company is entering into this Agreement in reliance upon such representation. Examples of trade secrets include, but are not limited to, technical, business and other information related to the Company's manufacturing and production processes and techniques, product formulations, research and development, inventions and discoveries that have not yet been patented, technology, drawings, specifications, designs, plans, proposals, pricing and cost information, business and marketing plans, financial information, customer and supplier lists and information, and all rights in any jurisdiction to limit the use or disclosure thereof.

6.4 Injunctive Relief. Executive acknowledges that Executive's failure to carry out any obligation under this Agreement (including but not limited to those listed on Exhibit A), or a breach by Executive of any provision herein, therein or the Restrictive Covenant Agreement, will constitute immediate and irreparable damage to the Company, which cannot be fully and adequately compensated in money damages and which will warrant preliminary and other injunctive relief, an order for specific performance, and other equitable relief. Executive further

agrees that no bond or other security shall be required in obtaining such equitable relief and the Executive hereby consents to the issuance of such injunction and to the ordering of specific performance. Executive understands that other action may be taken and remedies enforced against the Executive by the Company.

7. Termination of Employment; Severance.

7.1 At-Will Employment. Executive's employment relationship is at-will. Either Executive or the Company may terminate the employment relationship at any time, with or without Cause (as defined below) or advance notice. In the event Executive's employment relationship is terminated for any reason, Executive shall be entitled to receive Executive's earned but unpaid Base Salary, unreimbursed business expenses properly incurred by Executive pursuant to Section 4 and any other compensation or benefit earned by or owed to (but not yet paid to)

Executive through and including the date of termination, payable in a lump sum on the next regularly scheduled payroll date following the date on which Executive's employment terminated, or at such other date as shall be specified under the terms of the employee benefit plan pursuant to which such compensation or benefit is payable. Executive shall also resign from all positions and terminate any relationships as an employee, advisor, officer or director with the Company and any of its affiliates, each effective on the date of termination.

7.2 Severance Benefits for Termination Without Cause Unrelated to a Change of Control. In the event Executive's employment with the Company is terminated by the Company without Cause prior to a Change of Control (as defined below) or more than twelve (12) months following a Change of Control, the Company shall provide Executive with the following payments and benefits, provided that Executive remains in compliance with the terms of this Agreement and the Restrictive Covenant Agreement and subject to Section 8 below:

(i) The Company shall pay Executive, as severance, the equivalent of nine (9) months of Executive's Base Salary as in effect as of the date of Executive's employment termination. This severance will be paid in the form of salary continuation, payable on the Company's regular payroll dates, subject to standard payroll deductions and withholdings, starting on the 60th day after Executive's termination date, with the first payment to include those payments that would have occurred earlier but for the 60-day delay.

(ii) Provided that Executive is then eligible for and timely elects continued coverage under COBRA, the Company shall directly pay, or reimburse Executive for, the monthly COBRA premiums to continue Executive's coverage (including coverage for eligible dependents, if applicable) through the period starting on Executive's termination date and ending on the earliest to occur of: (a) nine (9) months following Executive's termination date; (b) the date Executive becomes eligible for group health insurance coverage through a new employer; or (c) the date Executive ceases to be eligible for COBRA continuation coverage for any reason, including plan termination. In the event Executive becomes covered under another employer's group health plan or otherwise ceases to be eligible for COBRA during this time period, Executive must immediately notify the Company of such event. Notwithstanding the foregoing, if the Company determines, in its sole discretion, that it cannot pay the COBRA premiums without a substantial risk of violating applicable law, the Company instead shall pay to Executive, on the first day of each calendar month, a fully taxable cash payment equal to the applicable COBRA

premiums for that month, subject to applicable tax withholdings, for the remainder of the COBRA premium period. Executive may, but is not obligated to, use such payments toward the cost of COBRA premiums.

7.3 Severance Benefits for Termination Without Cause or Resignation with Good Reason Related to a Change of Control. In the event Executive's employment with the Company is terminated by the Company without Cause or Executive resigns for Good Reason in each case during the twelve (12) month period immediately following a Change of Control, the Company shall provide Executive with the following payments and benefits, provided that Executive remains in compliance with the terms of this Agreement and the Restrictive Covenant Agreement and subject to Section 8 below:

(i) The Company shall pay Executive, as severance, the equivalent of twelve (12) months of Executive's Base Salary as in effect as of the date of Executive's employment termination (disregarding any change to Executive's Base Salary giving rise to Good

Reason). This severance will be paid in the form of salary continuation, payable on the Company's regular payroll dates, subject to standard payroll deductions and withholdings, starting on the 60th day after Executive's termination date, with the first payment to include those payments that would have occurred earlier but for the 60-day delay.

(ii) In addition, the Company shall pay Executive, as severance, an amount equal to one hundred percent (100%) of Executive's target annual bonus as in effect as of the date of Executive's employment termination (disregarding any change to Executive's Base Salary giving rise to Good Reason), payable in a lump sum, less deductions and withholdings, at the same time as the first severance payment described in Section 7.3(i) above. For the avoidance of doubt, the amount payable pursuant to this Section 7.3(ii) shall not be subject to proration based on the portion of the year elapsed as of the date of termination.

(iii) Provided that Executive is then eligible for and timely elects continued coverage under COBRA, the Company shall directly pay, or reimburse Executive for, the monthly COBRA premiums to continue Executive's coverage (including coverage for eligible dependents, if applicable) through the period starting on Executive's termination date and ending on the earliest to occur of: (a) twelve (12) months following Executive's termination date; (b) the date Executive becomes eligible for group health insurance coverage through a new employer; or (c) the date Executive ceases to be eligible for COBRA continuation coverage for any reason, including plan termination. In the event Executive becomes covered under another employer's group health plan or otherwise ceases to be eligible for COBRA during this time period, Executive must immediately notify the Company of such event. Notwithstanding the foregoing, if the Company determines, in its sole discretion, that it cannot pay the COBRA premiums without a substantial risk of violating applicable law, the Company instead shall pay to Executive, on the first day of each calendar month, a fully taxable cash payment equal to the applicable COBRA premiums for that month, subject to applicable tax withholdings, for the remainder of the COBRA premium period. Executive may, but is not obligated to, use such payments toward the cost of COBRA premiums.

(iv) The vesting of all unvested equity-based incentive compensation awards outstanding as of the date of such Change in Control and held by Executive as of the date of such termination shall be accelerated such that 100% of the shares underlying such awards shall be deemed immediately vested and, in the case of stock options, exercisable; *provided that*, in the case of any unvested equity-based incentive compensation awards that are subject to performance-based vesting terms as of the date of such termination, the treatment of such performance-based vesting conditions shall be governed by the applicable equity plan and award agreement.

7.4 Termination for Cause; Resignation Without Good Reason; Death reason or Disability.

(i) If Executive resigns for any reason prior to or more than twelve (12) months following a Change in Control, resigns without Good Reason within the twelve (12) months following a Change in Control, or the Company terminates Executive's employment for Cause, Executive shall not be entitled to receive any payments or benefits under this Agreement, other than as set forth in Section 7.1.

(ii) Executive's employment shall terminate automatically upon Executive's death or Total Disability. "**Total Disability**" shall mean Executive's inability, with

reasonable accommodation, to perform the duties of Executive's position for a period or periods aggregating ninety (90) calendar days in any period of one hundred eighty days (180) consecutive days as a result of physical or mental illness, loss of legal capacity or any other cause beyond Executive's control. Executive and the Company hereby acknowledge that Executive's ability to perform the duties specified in Section 1 is the essence of this Agreement. Termination hereunder shall be deemed to be effective (a) at the end of the calendar month in which Executive's death occurs or (b) immediately upon a determination by the Board or the compensation committee thereof of Executive's Total Disability. In the case of termination of employment under this Section 7.4(ii), Executive shall not be entitled to receive any payments or benefits under this Agreement, other than as set forth in Section 7.1.

8. Conditions to Receipt of Severance Benefits. As a condition to receiving the payments and benefits set forth in Section 7.2 and Section 7.3, (i) Executive must execute and deliver to the Company a release of claims in a form reasonably acceptable to the Company and such release must have become effective and the revocation period provided therein must have expired without Executive having revoked such release within the 60-day period following the date of termination, and (ii) Executive must not have revoked or breached the provisions of such release or breached the provisions of the Restrictive Covenant Agreement. In the event that Executive does not execute and deliver such release, such release does not become effective and irrevocable within such period or Executive revokes or breaches the provisions of the release or breaches the provisions of the Restrictive Covenant Agreement, Executive (A) will be deemed to have voluntarily resigned Executive's employment hereunder without Good Reason, (B) will not be entitled to the payments, benefits or accelerated vesting described in Section 7.2 or Section 7.3 and (C) will be required to reimburse the Company, in cash within five business days after written demand is made by the Company therefore, for an amount equal to the value of any payments or benefits Executive received pursuant to Section 7.2 or Section 7.3.

9. Section 409A. It is intended that all of the severance benefits and other payments payable under this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code" and

"Section 409A") provided under Treasury Regulations 1.409A-1(b)(4), 1.409A-1(b)(5) and 1.409A-1(b)(9), and this Agreement will be construed to the greatest extent possible as consistent with those provisions, and to the extent not so exempt, this Agreement (and any definitions hereunder) will be construed in a manner that complies with Section 409A. All payments and benefits that are payable upon a termination of employment hereunder shall be paid or provided only upon Executive's "separation from service" from the Company (within the meaning of Section 409A). For purposes of Section 409A (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 (whether severance payments, reimbursements or otherwise) shall be treated as a right to receive a series of separate payments and, accordingly, each installment payment hereunder shall at all times be considered a separate and distinct payment. Notwithstanding any provision to the contrary in this Agreement, if Executive is deemed by the Company at the time of Executive's termination to be a "specified employee" for purposes of Section 409A(a)(2)(B)(i), and if any of the payments upon termination set forth herein and/or under any other agreement with the Company are deemed to be "deferred compensation", then to the extent delayed commencement of any portion of such payments is required in order to avoid a prohibited distribution under Section 409A(a)(2)(B)(i) and the related adverse taxation under Section 409A, such payments shall not be provided to Executive prior to the earliest of (i) the

expiration of the six-month period measured from the date of Executive's termination with the Company, (ii) the date of Executive's death or (iii) such earlier date as permitted under Section 409A without the imposition of adverse taxation. Upon the first business day following the expiration of such applicable Section 409A(a)(2)(B)(i) period, all payments deferred pursuant to this Section 9 shall be paid in a lump sum to Executive, and any remaining payments due shall be paid as otherwise provided herein or in the applicable agreement. No interest shall be due on any amounts so deferred.

10. Section 280G. In the event that the severance and other benefits provided for in this Agreement or otherwise payable to Executive (i) constitute "parachute payments" within the meaning of Section 280G of the Code and (ii) but for this Section 10, would be subject to the excise tax imposed by Section 4999 of the Code, then, Executive's severance and other benefits under this Agreement shall be payable either (i) in full, or (ii) as to such lesser amount which would result in no portion of such severance and other benefits being subject to the excise tax under Section 4999 of the Code, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999 of the Code, results in the receipt by Executive on an after-tax basis of the greatest amount of severance benefits under this Agreement, notwithstanding that all or some portion of such severance benefits may be taxable under Section 4999 of the Code. Any reduction shall be made in the following order: (i) reduction of cash payments, (ii) cancellation of accelerated vesting of equity awards, and (iii) reduction of other benefits payable to Executive. Unless the Company and Executive otherwise agree in writing, any determination required under this Section 10 shall be made in writing by the Company's independent public accountants (the "Accountants"), whose determination shall be conclusive and binding upon Executive and the Company for all purposes. For purposes of making the calculations required by this Section 10, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and Executive shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this

Section 10. The Company shall bear all costs the Accountants may reasonably incur in connection with any calculations contemplated by this Section 10.

11. Definitions.

11.1 Cause. For purposes of this Agreement, "Cause" for termination will mean: (i) a material breach of any of Executive's obligations or duties pursuant to this Agreement or the Restrictive Covenant Agreement, which remains uncured seven (7) days after Executive becomes aware of the breach by formal written notification by the Company; (ii) gross negligence, willful misconduct or breach of fiduciary duty in the course of employment; (iii) any action or activity that is contrary to applicable insider trading rules or any other applicable securities rules or legislation; (iv) a material act or omission involving substantial dishonesty or fraud that harms or would reasonably be expected to harm the Company; (v) commission of, conviction or indictment for, or plea of no contest to, any felony (or state law equivalent) or any crime involving moral turpitude, or (vi) unsatisfactory performance of Executive's duties or responsibilities, provided that the Company has given Executive written notice specifying the unsatisfactory performance of his duties and responsibilities and afforded Executive at least seven (7) days to cure.

11.2 Good Reason. For purposes of this Agreement, "Good Reason" will mean any of the following actions taken by the Company without Executive's prior written consent: (i)

a material adverse change in Executive's position, title, office or duties or assignment of any significant duties to Executive that are materially inconsistent with the position or offices held by Executive; (ii) a decrease in Executive's base salary by more than 10% (other than in connection with a broad-based reduction in the base salaries of all other officers of the Company); or (iii) a relocation that increases Executive's one-way commute by more than 25 miles. In order to resign for Good Reason, Executive must provide written notice to the Company's Chief Executive Officer within 60 days after the first occurrence of the event giving rise to Good Reason setting forth the basis for Executive's resignation, allow the Company at least 30 days from receipt of such written notice to cure such event, and if such event is not reasonably cured within such period, Executive must resign from all positions Executive then holds with the Company not later than 90 days after the expiration of such cure period.

11.3 Change of Control. For purposes of this Agreement, "**Change of Control**" means the occurrence of one or more of the following: (a) a merger, a consolidation, a reorganization or an arrangement that results in a transfer of more than fifty percent (50%) of the total voting power of the Company's outstanding securities to a person or a group of persons different from a person or a group of persons holding those securities immediately prior to such transaction (other than the Company or a person that directly or indirectly controls, is controlled by, or is under common control with, the Company); (b) a direct or indirect sale or other transfer of beneficial ownership of securities of the Company possessing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities to a person or a group of persons different from a person or a group of persons holding those securities immediately prior to such transaction (other than the Company or a person that directly or indirectly controls, is controlled by, or is under common control with, the Company); (c) a direct or indirect sale or other transfer of the right to appoint more than fifty percent (50%) of the directors of the Board or otherwise directly or indirectly control the management, affairs and business of the Company to a person or a group of persons different from a person or a group of persons holding this right immediately prior to such transaction (other than the Company or a person that directly or indirectly controls, is controlled by, or is under common control with, the Company); (d) a direct or indirect sale or other transfer of all or substantially all of the assets of the Company to a person or a group of persons different from a person or a group of persons holding those assets immediately prior to such transaction (other than the Company or a person that directly or indirectly controls, is controlled by, or is under common control with, the Company); or (e) a complete liquidation, dissolution or winding-up of the Company; *provided, however,* that a Change in Control will not be deemed to have occurred if such Change in Control results solely from the issuance, in connection with a bona fide financing or series of financings by the Company, of voting securities of the Company or any rights to acquire voting securities of the Company which are convertible into voting securities.

12. Outside Activities During Employment.

12.1 Non-Company Business. Except with the prior written consent of the Board, Executive will not during the term of Executive's employment with the Company undertake or engage in any other employment, occupation or business enterprise, other than ones in which Executive is a passive investor. Executive may engage in civic and not-for-profit activities so long as such activities do not materially interfere with the performance of Executive's duties hereunder.

12.2 No Adverse Interests. Executive agrees not to acquire, assume or

participate in, directly or indirectly, any position, investment or interest known to be adverse or antagonistic to the Company, its business or prospects, financial or otherwise.

13. Dispute Resolution. To ensure the timely and economical resolution of disputes that may arise in connection with Executive's employment with the Company, Executive and the Company agree that any and all disputes, claims, or causes of action arising from or relating to the enforcement, breach, performance, negotiation, execution, or interpretation of this Agreement, Executive's employment, or the termination of Executive's employment, including but not limited to statutory claims, shall be resolved to the fullest extent permitted by law by final, binding and confidential arbitration, by a single arbitrator, conducted by JAMS, Inc. ("JAMS") under the then applicable JAMS rules or by another arbitration company if mutually agreed upon by Executive and Board. By agreeing to this arbitration procedure, both Executive and the Company waive the right to resolve any such dispute through a trial by jury or judge or administrative proceeding. The Company acknowledges that Executive will have the right to be represented by legal counsel at any arbitration proceeding. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision, to include the arbitrator's essential findings and conclusions and a statement of the award. The arbitrator shall be authorized to award any or all remedies that Executive or the Company would be entitled to seek in a court of law. The Company shall pay all JAMS' arbitration fees in excess of the amount of court fees that would be required of Executive if the dispute were decided in a court of law. Nothing in this Agreement is intended to prevent either Executive or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Any awards or orders in such arbitrations may be entered and enforced as judgments in the federal and state courts of any competent jurisdiction.

14. General Provisions.

14.1 Notices. Any notices provided must be in writing and will be deemed effective upon the earlier of personal delivery (including personal delivery by fax) or the next day after sending by overnight carrier, to the Company at its primary office location and to Executive at the address as listed on the Company payroll.

14.2 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, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction to the extent possible in keeping with the intent of the parties.

14.3 Waiver. Any waiver of any breach of any provisions of this Agreement must be in writing to be effective, and it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

14.4 Complete Agreement. This Agreement together with the Restrictive Covenant Agreement, constitutes the entire agreement between Executive and the Company with regard to this subject matter and is the complete, final, and exclusive embodiment of the Parties' agreement with regard to this subject matter, and supersedes all prior or contemporaneous offers, negotiations and agreements, whether written or oral, relating to such subject matter. This

Agreement is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties or representations. It is entered into without reliance on any promise or representation other than those expressly contained herein, and it cannot be modified or amended except in a writing signed by a duly authorized officer of the Company.

14.5Counterparts. 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.

14.6Headings. The headings of the paragraphs hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

14.7Successors and Assigns. This Agreement is intended to bind and inure to the benefit of and be enforceable by Executive and the Company, and their respective successors, assigns, heirs, executors and administrators, except that Executive may not assign any of Executive's duties hereunder and Executive may not assign any of Executive's rights hereunder without the written consent of the Company.

14.8Tax Withholding and Indemnification. All payments and awards contemplated or made pursuant to this Agreement will be subject to withholdings of applicable taxes in compliance with all relevant laws and regulations of all appropriate government authorities. Executive acknowledges and agrees that the Company has neither made any assurances nor any guarantees concerning the tax treatment of any payments or awards contemplated by or made pursuant to this Agreement. Executive has had the opportunity to retain a tax and financial advisor and fully understands the tax and economic consequences of all payments and awards made pursuant to the Agreement.

14.9Choice of Law. All questions concerning the construction, validity and interpretation of this Agreement will be governed by the laws of the State of Delaware. Each of the Parties agrees that it has been represented by independent counsel of its choice during the negotiation and execution of this Agreement and the documents attached hereto, that they both agreed to this provision, and that the conditions set forth in California Labor Code Section 925(e) are fully satisfied.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first written above.

PRELUDE THERAPEUTICS INCORPORATED

By: /s/ Michele Porreca

Title: Chief People Officer

SEAN BRUSKY

/s/ Sean Brusky

Exhibit A

Employee Invention Assignment, Confidentiality, and Restrictive Covenant Agreement

**CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Krishna Vaddi, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Prelude Therapeutics Incorporated;
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.

Date: May 12, 2026

By: _____
/s/ Krishna Vaddi
Krishna Vaddi, PhD
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Krishna Vaddi, Chief Executive Officer of Prelude Therapeutics Incorporated (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) the Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended March 31, 2026 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 12, 2026

By: _____
/s/ Krishna Vaddi
Krishna Vaddi, PhD
Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Bryant Lim, Chief Financial Officer of Prelude Therapeutics Incorporated (the “Company”), do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) the Quarterly Report on Form 10-Q of the Company for the fiscal quarter ended March 31, 2026 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 12, 2026

By: _____ /s/ Bryant Lim
Bryant Lim
Chief Financial Officer
(Principal Accounting and Financial Officer)
