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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, 2025

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: 001-40498

Century Therapeutics, Inc.
(Exact Name of Registrant as Specified in its Charter)

Delaware	**84-2040295**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
25 N 38th Street, 11th Floor Philadelphia, Pennsylvania	**19104**
(Address of principal executive offices)	**(Zip Code)**

(267) 817-5790
(Registrant's telephone number, including area code)

Not applicable
(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.0001 par value per share	IPSC	The Nasdaq Global Select Market

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

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

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

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

As of May 1, 2025 the registrant had 86,158,758 shares of common stock, $0.0001 par value per share, outstanding.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q and the documents incorporated by reference herein contain forward-looking statements that involve substantial risks and uncertainties. All statements, other than statements of historical facts, included in this Quarterly Report on Form 10-Q or the documents incorporated by reference herein regarding our strategy, future operations, future financial position, future revenues, projected costs, prospects, plans and objectives of management are forward-looking statements. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “will,” “would,” “could,” “should,” “potential,” “seek,” “evaluate,” “pursue,” “continue,” “design,” “impact,” “affect,” “forecast,” “target,” “outlook,” “initiative,” “objective,” “designed,” “priorities,” “goal,” or the negative of such terms and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Such statements are based on assumptions and expectations that may not be realized and are inherently subject to risks, uncertainties and other factors, many of which cannot be predicted with accuracy and some of which might not even be anticipated.

The forward-looking statements in this Quarterly Report on Form 10-Q include, among other things, statements about:

- our ability to raise additional capital to fund our operations and continue the development of our current and future product candidates;
- the early clinical nature of our business and our ability to successfully advance our current and future product candidates, through development activities, preclinical studies, and clinical trials;
- our ability to generate revenue from future product sales and our ability to achieve and maintain profitability;
- the accuracy of our projections and estimates regarding our expenses, capital requirements, cash utilization, and need for additional financing;
- our dependence on the success of our lead product candidate, CNTY-101, and our ability to progress CNTY-101 through clinical development;
- the novelty of our approach to immuno-oncology and autoimmune and inflammatory treatments, utilizing iPSC-derived natural killer cells, or iNK cells, and iPSC-derived T cells, or iT cells, and the challenges we will face due to the novel nature of such technology;
- the success of competing therapies that are or may become available;
- our reliance on the maintenance of our collaborative relationship with FUJIFILM Cellular Dynamics Inc., or FCDI, for access to key differentiation and reprogramming technology for the manufacturing and development of our product candidates;
- the initiation, progress, success, cost, and timing of our development activities, preclinical studies and clinical trials;
- the timing of future investigational new drug, or IND, applications and the likelihood of, and our ability to obtain and maintain, regulatory clearance of IND applications for our product candidates;
- the timing, scope and likelihood of regulatory filings and approvals, including final regulatory approval of our product candidates;

- our reliance on FCDI to be the exclusive manufacturer of certain product candidates, and our ability to manufacture our own product candidates in the future, and the timing and costs of such manufacturing activities;
- the performance of third parties in connection with the development of our product candidates, including third parties conducting our current and future clinical trials as well as third-party suppliers and manufacturers;
- our ability to attract and retain strategic collaborators with development, regulatory, and commercialization expertise;
- the public opinion and scrutiny of cell-based immuno-oncology and autoimmune and inflammatory therapies and its potential impact on public perception of our company and product candidates;
- our ability to successfully commercialize our product candidates and develop sales and marketing capabilities, if our product candidates are approved;
- the size and growth of the potential markets for our product candidates and our ability to serve those markets;
- regulatory developments and approval pathways in the United States and foreign countries for our product candidates;
- the potential scope and value of our intellectual property and proprietary rights;
- our ability, and the ability of our licensors, to obtain, maintain, defend, and enforce intellectual property and proprietary rights protecting our product candidates, and our ability to develop and commercialize our product candidates without infringing, misappropriating, or otherwise violating the intellectual property or proprietary rights of third parties;
- our ability to recruit and retain key members of management and other clinical and scientific personnel;
- the volatility of capital markets and other macroeconomic factors, including due to inflationary pressures, trade disputes and tariffs, banking instability, global health crises, geopolitical tensions or the outbreak of hostilities or war; and
- developments relating to our competitors and our industry.

We have based these forward-looking statements largely on our current expectations, estimates, forecasts, and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, and financial needs. In light of the significant uncertainties in these forward-looking statements, you should not rely upon forward-looking statements as predictions of future events. Although we believe that we have a reasonable basis for each forward-looking statement contained in this Quarterly Report on Form 10-Q, we cannot guarantee that the future results, levels of activity, performance, or events and circumstances reflected in the forward-looking statements will be achieved or occur at all. You should refer to the section titled “Risk Factors” set forth in Part II, Item 1A of this Quarterly Report on Form 10-Q, the section titled “Risk Factors” set forth in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2024 and the section titled “Risk Factors” set forth in Part II, Item 1A of our subsequent Quarterly Reports on Form 10-Q for a discussion of important factors that may cause our actual results to differ materially from those expressed or implied by our forward-looking statements. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. Except as required by law, we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. Except as required by law, we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

You should read this Quarterly Report on Form 10-Q completely and with the understanding that our actual future results may be materially different from what we expect. We intend the forward-looking statements contained in this Quarterly Report on Form 10-Q to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended or the Exchange Act.

PART I—FINANCIAL INFORMATION

Item 1. Unaudited Consolidated Financial Statements.

CENTURY THERAPEUTICS, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share amounts)

	March 31, 2025	December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	$ 51,865	$ 58,441
Short-term investments	113,256	130,851
Prepaid expenses and other current assets	4,510	4,759
Total current assets	169,631	194,051
Property and equipment, net	59,532	62,141
Operating lease right-of-use assets	28,232	28,706
Restricted cash	2,775	2,772
Long-term investments	20,713	30,818
Intangible assets	34,200	34,200
Security deposits and non-current assets	526	528
Total assets	**$ 315,609**	**$ 353,216**
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	$ 3,573	$ 3,075
Accrued expenses and other liabilities	10,930	17,461
Deposit liability	-	82
Deferred revenue, current	-	109,164
Total current liabilities	**14,503**	**129,782**
Operating lease liability, long term	47,793	48,960
Contingent consideration liability	8,500	8,738
Deferred tax liability	4,374	4,374
Total liabilities	**75,170**	**191,854**
Commitments and contingencies (Note 8)		
Stockholders' equity:		
Preferred stock, $ 0.0001 par value, 10,000,000 shares authorized and 0 shares issued and outstanding at March 31, 2025 and December 31, 2024, respectively	—	—
Common stock, $0.0001 par value, 300,000,000 shares authorized; 86,146,049 and 85,836,429 shares issued and outstanding at March 31, 2025 and December 31, 2024, respectively	9	9
Additional paid-in capital	945,902	943,366
Accumulated deficit	(705,777)	(782,337)
Accumulated other comprehensive Income	305	324
Total stockholders' equity	**240,439**	**161,362**
Total liabilities and stockholders' equity	**$ 315,609**	**$ 353,216**

See accompanying notes to the consolidated financial statements.

CENTURY THERAPEUTICS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(Unaudited)
(In thousands, except share and per share amounts)

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Collaboration revenue	$ 109,164	$ 855
Operating expenses		
Research and development	26,580	23,421
General and administrative	8,408	8,743
Total operating expenses	34,988	32,164
Income (loss) from operations	74,176	(31,309)
Interest income	2,422	3,237
Other income (expense)	(38)	11
Total other income	2,384	3,248
Income (loss) before provision for income taxes	76,560	(28,061)
Provision for income taxes	—	(1)
Net income (loss)	**$ 76,560**	**$ (28,062)**
Net income (loss) per common share Basic	0.89	(0.45)
Net income (loss) per common share Diluted	0.89	(0.45)
Weighted average common shares outstanding Basic	86,021,188	62,296,637
Weighted average common shares outstanding Diluted	86,098,619	62,296,637
Other comprehensive income (loss)		
Net income (loss) per common share Basic and Diluted	$ 76,560	$ (28,062)
Unrealized loss on investments	(19)	(351)
Foreign currency translation gain	—	2
Comprehensive income (loss)	$ 76,541	$ (28,411)

See accompanying notes to the consolidated financial statements.

CENTURY THERAPEUTICS, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Unaudited)
(In thousands, except share amounts)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (loss)	Total Stockholders' Equity
	Shares	Amount				
Balance, December 31, 2024	**85,836,429**	**$ 9**	**$ 943,366**	**$ (782,337)**	**$ 324**	**$ 161,362**
Issuance of common stock upon the exercise of stock options and 2021 ESPP	116,488	—	120	—	—	**120**
Vesting of restricted stock	24,734	—	—	—	—	**—**
Vesting of early exercise stock options	11,321	—	84	—		**84**
Vesting of restricted stock units	157,077	—	(94)	—	—	**(94)**
Unrealized loss on investments	—	—	—	—	(19)	**(19)**
Foreign currency translation	—	—	—	—	—	**—**
Stock based compensation	—	—	2,426	—	—	**2,426**
Net income	—	—	—	76,560	—	**76,560**
Balance, March 31, 2025	**86,146,049**	**$ 9**	**$ 945,902**	**$ (705,777)**	**$ 305**	**$ 240,439**

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (loss)	Total Stockholders' Equity
	Shares	Amount				
Balance, December 31, 2023	**60,335,701**	**$ 6**	**$ 840,407**	**$ (655,771)**	**$ 108**	**$ 184,750**
Issuance of common stock upon the exercise of stock options and 2021 ESPP	220,647	—	366	—		**366**
Vesting of restricted stock	24,734	—	—	—		**—**
Vesting of early exercise stock options	34,900	—	142	—		**142**
Vesting of restricted stock units	109,108	—	—	—		**—**
Issuance of common stock upon the exercise of ATM, net of underwriting discounts and commissions and other issuance costs	4,084,502	—	17,829	—		**17,829**
Unrealized loss on investments	—	—	—	—	(351)	**(351)**
Foreign currency translation	—	—	—	—	2	**2**
Stock based compensation	—	—	3,207	—		**3,207**
Net loss	—	—	—	(28,062)		**(28,062)**
Balance, March 31, 2024	**64,809,592**	**$ 6**	**$ 861,951**	**$ (683,833)**	**$ (241)**	**$ 177,883**

See accompanying notes to the consolidated financial statements.

CENTURY THERAPEUTICS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(in thousands)

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Cash flows from operating activities		
Net income (loss)	$ 76,560	$ (28,062)
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation	3,221	3,226
Non-cash operating lease benefit	474	1,542
Stock based compensation	2,426	3,207
Amortization of investments	(854)	(1,115)
Change in fair value of contingent liabilities	(238)	—
Change in operating assets and liabilities:		
Prepaid expenses and other assets	289	(3,395)
Operating lease liability	(1,154)	(2,186)
Deferred revenue	(109,164)	(855)
Accounts payable	361	689
Accrued expenses and other liabilities	(6,544)	(3,319)
Current security deposit	—	20
Net cash used in operating activities	**(34,623)**	**(30,248)**
Cash flows from investing activities		
Acquisition of property and equipment	(475)	(539)
Acquisition of fixed maturity securities, available for sale	(14,885)	(35,087)
Sale of fixed maturity securities, available for sale	43,290	47,167
Net cash provided by investing activities	**27,930**	**11,541**
Cash flows from financing activities		
Proceeds from issuance of common stock and ESPP	120	366
Proceeds from ATM, net of issuance costs	—	17,829
Net cash provided by financing activities	**120**	**18,195**
Net decrease in cash, cash equivalents, and restricted cash	**(6,573)**	**(512)**
Cash, cash equivalents and restricted cash, beginning of period	61,213	49,303
Cash, cash equivalents and restricted cash, end of period	**$ 54,640**	**$ 48,791**
Supplemental disclosure of cash and non-cash operating activities:		
Cash paid for income tax	**$ 2**	**$ —**

See accompanying notes to the consolidated financial statements.

CENTURY THERAPEUTICS, INC.
NOTES TO FINANCIAL STATEMENTS
(Unaudited)
(in thousands, except share and per share amounts)

Note 1—Organization and description of the business

Century Therapeutics, Inc. (the "Company") is an innovative biotechnology company developing transformative allogeneic cell therapies to create products for the treatment of both solid tumor and hematological malignancies and autoimmune diseases with significant unmet medical need. Since inception, the Company has devoted substantially all of its time and efforts to performing research and development activities, building infrastructure and raising capital. The Company is incorporated in the state of Delaware.

Principles of Consolidation

The consolidated financial statements include the consolidated financial position and consolidated results of operations of the Company and the Company's subsidiaries, Century Therapeutics Canada ULC ("Century Canada"), Clade Therapeutics ("Clade") and Gadeta B.V. ("Gadeta"). All intercompany balances and transactions have been eliminated in consolidation.

Liquidity

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. The Company has limited operating history and its prospects are subject to risks, expenses, and uncertainties frequently encountered by companies in the biotechnology and pharmaceutical industries. These risks include, but are not limited to, the uncertainty of availability of additional financing and the uncertainty of achieving future profitability.

Since inception, the Company has incurred negative cash flows from operations and net losses in most periods. During the three months ended March 31, 2025, the Company recognized net income of $76,560, due primarily to $109,164 of collaboration revenue recognized during the quarter upon the termination of the collaboration agreement with Bristol-Myers Squibb (Note 7). During the three months ended March 31, 2025, the Company used $34,623 of cash in operations. Cash and cash equivalents and investments were $185,834 at March 31, 2025. Management expects to incur additional losses in the future to fund its operations and conduct product research and preclinical and clinical development and recognizes the need to raise additional capital to fully implement its business plan. The Company believes it has adequate cash and financial resources to operate for at least the next 12 months from the date of issuance of these consolidated financial statements.

Note 2—Summary of significant accounting policies and basis of presentation

Basis of presentation

The accompanying unaudited consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") for interim financial information and with the interim period reporting requirements of Form 10-Q and Article 10 of Regulation S-X. The consolidated balance sheet as of March 31, 2025, and the consolidated statements of operations and comprehensive income (loss), consolidated statements of changes in stockholders' equity, and the consolidated statements of cash flows for the three months ended March 31, 2025 and 2024 are unaudited, but, in the opinion of management, include all adjustments, consisting only of normal recurring adjustments, which the Company considers necessary for a fair presentation of the financial position, operating results and cash flows for the periods presented. The results for any interim period are not necessarily indicative of results for the year ending December 31, 2025 or for any other subsequent interim period. The consolidated

balance sheet at December 31, 2024 has been derived from the Company's audited consolidated financial statements.

Use of estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of expenses during the reporting period. Estimates and assumptions are primarily made in relation to the valuations supporting stock compensation, the estimation of the incremental borrowing rate for operating leases, intangible assets acquired in business combinations and standalone selling prices of performance obligations in collaboration agreements. If actual results differ from the Company's estimates, or to the extent these estimates are adjusted in future periods, the Company's results of operations could either benefit from, or be adversely affected by, any such change in estimate.

Concentration of credit risk and other risks and uncertainties

Financial instruments, which potentially subject the Company to significant concentrations of credit risk, consist of cash, cash equivalents, U.S. Treasury bills and bonds, as well as corporate bonds. Cash and cash equivalents, as well as short and long-term investments include a checking account and asset management accounts held by a limited number of financial institutions. At times, such deposits may be in excess of insured limits. As of March 31, 2025 and December 31, 2024, the Company has not experienced any losses on its deposits of cash and cash equivalents.

The Company's future results of operations involve a number of risks and uncertainties. Factors that could affect the Company's future operating results and cause actual results to vary materially from expectations include, but are not limited to, rapid technological change, uncertainty of market acceptance of its products, competition from substitute products and larger companies, protection of proprietary technology, strategic relationships, and dependence on key individuals.

Products developed by the Company require clearances from the U.S. Food and Drug Administration (the "FDA") or other international regulatory agencies prior to commercial sales. There can be no assurance the Company's future products will receive the necessary clearances. If the Company was denied clearance, clearance was delayed, or if the Company was unable to maintain clearance, it could have a material adverse impact on the Company.

Fair value of financial instruments

The Company discloses and recognizes the fair value of its assets and liabilities using a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants at the reporting date. The hierarchy gives the highest priority to valuations based upon unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to valuations based upon unobservable inputs that are significant to the valuation (Level 3 measurements). The guidance establishes three levels of the fair value hierarchy as follows:

Level 1 Inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date;

Level 2 Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, including inputs in markets that are not considered to be active;

Level 3 Inputs are unobservable in which there is little or no market data available, which require the reporting entity to develop its own assumptions that are unobservable.

Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires management to make judgments and consider factors specific to the asset or liability.

Cash and cash equivalents

Management considers all highly liquid investments with an insignificant interest rate risk and original maturities of three months or less to be cash equivalents.

Restricted cash

As of March 31, 2025 and December 31, 2024, the Company had $2,775 and $2,772, respectively, in cash on deposit to secure certain lease commitments. Restricted cash is recorded separately in the Company's consolidated balance sheets.

The following provides a reconciliation of the Company's cash, cash equivalents, and restricted cash as reported in the consolidated balance sheets to the amounts reported in the consolidated statements of cash flows:

	March 31, 2025	December 31, 2024
Cash and cash equivalents	$ 51,865	$ 58,441
Restricted cash	2,775	2,772
Cash, cash equivalents, and restricted cash	$ 54,640	$ 61,213

Investments

The Company invests in fixed maturity securities including U.S. Treasury bills and bonds as well as corporate bonds. The investments are classified as available-for-sale and reported at fair value. Unrealized gains or losses are determined by comparing the fair market value of the securities with their cost or amortized cost. Realized gains and losses on investments are recorded on the trade date and are included in the statement of operations. Unrealized gains and losses on investments are recorded in other comprehensive income (loss) on the consolidated statements of operations and comprehensive income (loss). The cost of securities sold is based on the specified identification method. Investment income is recognized as earned and discounts or premiums arising from the purchase of debt securities are recognized in investment income using the interest method over the remaining term of the security. Securities with an original maturity date greater than three months that mature within one year of the balance sheet date are classified as short-term, while investments with a maturity date greater than one year are classified as long-term.

Property and equipment, net

Property and equipment are recorded at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which is generally five years. Leasehold improvements are amortized over the shorter of the asset's useful life or the remaining term of the lease. Construction in progress includes direct cost related to the construction of leasehold improvements and is stated at original cost. Such costs are not depreciated until the asset is completed and placed into service. Once the asset is placed into service, these capitalized costs will be allocated to leasehold improvements and will be depreciated over the shorter of the asset's useful life or the remaining term of the lease. Computer software and equipment includes implementation costs for cloud-based software and network equipment.

Expenditures for major additions and improvements are capitalized, while minor replacements, maintenance, and repairs are charged to expense as incurred. When property is retired or otherwise disposed of, the costs and accumulated depreciation are removed from the respective accounts, with any resulting gain or loss recognized concurrently.

Research and development expenses

Research and development expenses include costs directly attributable to the conduct of research and development programs, including the cost of salaries, payroll taxes, employee benefits, stock compensation, materials, supplies, rent, depreciation on and maintenance of research equipment with alternative future use, and the cost of services provided by outside contractors. All costs associated with research and development are expensed as incurred.

Clinical trial costs are a component of research and development expenses. The Company expenses costs for its clinical trial activities performed by third parties, including clinical research organizations and other service providers, as they are incurred, based upon estimates of the work completed over the life of the individual study in accordance with associated agreements. The Company uses information it receives from internal personnel and outside service providers to estimate the clinical trial costs incurred.

Stock-based compensation

Employees, consultants, and members of the Board of Directors of the Company have received stock options and restricted stock of the Company. The Company recognizes the cost of the stock-based compensation incurred as its employees and board members vest in the awards. The Company accounts for stock-based compensation arrangements in accordance with provisions of Accounting Standards Codification ("ASC") 718, Compensation—Stock Compensation. ASC 718 requires the recognition of compensation expense, using a fair-value based method, for costs related to all share-based payments including stock options. ASC 718 requires companies to estimate the fair value of share-based payment awards on the date of grant using an option-pricing model. The Company uses the Black-Scholes option-pricing model ("Black Scholes") to determine the fair value of options granted. The Company's stock-based awards are subject to service-based vesting conditions and performance-based vesting conditions. Compensation expense related to awards to employees and directors with service-based vesting conditions is recognized on a straight-line basis based on the grant date fair value over the associated service period of the award, which is generally the vesting term. For performance-based awards, the Company reassesses at each reporting date whether achievement of the performance condition is probable and accrues compensation expense if and when achievement of the performance condition is probable.

Black Scholes requires inputs based on certain subjective assumptions, including (i) the expected stock price volatility, (ii) the expected term of the award, (iii) the risk-free interest rate and (iv) expected dividends. The historical volatility is calculated based on a period of time commensurate with expected term assumption. The risk-free interest rate is based on U.S. Treasury securities with a maturity date commensurate with the expected term of the associated award. The expected dividend yield is assumed to be zero as the Company has never paid dividends and has no current plans to pay any dividends on its common stock. Forfeitures are recognized as they occur.

Foreign currency translation

The reporting currency of the Company is the U.S. dollar. The functional currency of Century Canada is the Canadian dollar. The functional currency of Gadeta is the Euro. Assets and liabilities of Century Canada and Gadeta are translated into U.S. dollars based on exchange rates at the end of each reporting period. Expenses are translated at average exchange rates during the reporting period. Gains and losses arising from the translation of assets and liabilities are included as a component of accumulated other comprehensive loss or income on the Company's consolidated balance sheets. Gains and losses resulting from foreign currency transactions are reflected within the Company's consolidated statements of operations and comprehensive income (loss). The Company has not utilized any foreign currency hedging strategies to mitigate the effect of its foreign currency exposure.

Intercompany payables and receivables are considered to be long-term in nature and any change in balance due to foreign currency fluctuation is included as a component of the Company's consolidated comprehensive income (loss) and accumulated other comprehensive loss within the Company's consolidated balance sheets.

Basic and diluted net income (loss) per common share

Basic net income (loss) per common share is computed by dividing net income (loss) applicable to common shareholders by the weighted-average number of common shares outstanding during the period. The Company computes diluted net income (loss) per common share by dividing the net income (loss) applicable to common shareholders by the sum of the weighted-average number of common shares outstanding during the period plus the potential dilutive effects of its warrants, restricted stock and stock options to purchase common shares, but such items are excluded if their effect is anti-dilutive.

Collaboration revenue

The Company may enter into collaboration and licensing agreements with strategic partners for research and development, manufacturing, and commercialization of its product candidates. Payments under these arrangements may include non-refundable, upfront fees; reimbursement of certain costs; customer option fees for additional goods or services; payments upon the achievement of development, regulatory, and commercial milestones; sales of product at certain agreed-upon amounts; and royalties on product sales.

The Company recognizes revenue in accordance with ASC Topic 606, Revenue from Contracts with Customers, (“ASC 606”). This standard applies to all contracts with customers. When an agreement falls under the scope of other standards, such as ASC Topic 808, Collaborative Arrangements, or (“ASC 808”), the Company will apply the recognition, measurement, presentation, and disclosure guidance in ASC 606 to the performance obligations in the agreements if those performance obligations are with a customer. Revenue recognized by analogizing to ASC 606 is recorded as collaboration revenue on the statements of operations.

Under ASC 606, an entity recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods or services. In determining the appropriate amount of revenue to be recognized as it fulfills its obligations under a collaboration agreement, the Company performs the following steps: (i) identification of the promised goods or services in the contract; (ii) determination of whether the promised goods or services are performance obligations including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations on a relative stand-alone selling price basis; and (v) recognition of revenue when (or as) the Company satisfies each performance obligation.

As part of the accounting for these arrangements, the Company must use its judgment to determine the stand-alone selling price for each performance obligation identified in the contract for the allocation of transaction price. The estimation of the stand-alone selling price may include such estimates as forecasted revenues and costs, development timelines, discount rates, and probabilities of regulatory and commercial success. The Company also applies significant judgment when evaluating whether contractual obligations represent distinct performance obligations, allocating transaction price to performance obligations within a contract, determining when performance obligations have been met, assessing the recognition and future reversal of variable consideration and determining and applying appropriate methods of measuring progress for performance obligations satisfied over time. Amounts expected to be recognized as revenue within the 12 months following the balance sheet date are classified as deferred revenue, current. Amounts not expected to be recognized as revenue within the 12 months following the balance sheet date are classified as deferred revenue, non-current.

If an arrangement is determined to contain customer options that allow the customer to acquire additional goods or services, the goods and services underlying the customer options are not considered to be performance obligations at the outset of the arrangement, as they are contingent upon option exercise. The Company evaluates the customer options for material rights or options to acquire additional goods or services for free or at a discount. If the customer options are not determined to represent a material right, no transaction price is allocated to these options and the Company will account for these options at that time they are exercised. If the customer options are determined to represent a material right, the material right is recognized as a separate performance obligation at the outset of the arrangement.

The obligations under the Company's collaboration agreements may include research and development services to be performed by the Company for or on behalf of the customer. Amounts allocated to these performance obligations are recognized as the Company performs these obligations, and revenue is measured based on an inputs method of costs incurred to date of budgeted costs. Under certain circumstances, the Company may be reimbursed for certain expenses incurred under the research and development services.

At the inception of each arrangement that includes development milestone payments, the Company evaluates whether the milestones are considered probable of being achieved and estimates the amount to be included in the transaction price using the most likely amount method. If it is probable that a significant revenue reversal would not occur, the associated milestone value is included in the transaction price. Milestone payments that are not within the control of the Company or the licensee, such as regulatory approvals, are not considered probable of being achieved until those approvals are received. The Company evaluates factors such as the scientific, clinical, regulatory, commercial and other risks that must be overcome to achieve the particular milestone in making this assessment. There is considerable judgment involved in determining whether it is probable that a significant revenue reversal would not occur. At the end of each subsequent reporting period, the Company reevaluates the probability of achievement of all milestones subject to constraint and, if necessary, adjusts its estimate of the overall transaction price. Any such adjustments are recorded on a cumulative catch-up basis in the statements of operations in the period of adjustment.

Acquisition-Related Contingent Consideration

Acquisition-related contingent consideration consist of our future obligation owed to shareholders of Clade and Gadeta and includes contingent milestone payments, earn out considerations, and indemnification obligations. Acquisition-related contingent consideration was recorded on the acquisition date at the estimated fair value of the obligation, in accordance with the acquisition method of accounting. The fair value measurement is based on significant inputs that are unobservable in the market and thus represents a Level 3 fair value measurement. The fair value of the acquisition-related contingent considerations are remeasured each reporting period, with changes in fair value recorded in the consolidated statements of operations and comprehensive income (loss) with general and administrative expense.

Business Combinations

The Company accounts for business combinations using the acquisition method of accounting in accordance with ASC 805, Business Combinations. Identifiable assets acquired and liabilities assumed are recorded at their acquisition date fair values. The excess of the fair value of purchase consideration over the fair values of the identifiable assets and liabilities is recorded as goodwill. Acquisition related costs are expensed as incurred. Upon acquisition, the accounts and results of operations are consolidated as of and subsequent to the acquisition date.

When determining the fair values of assets acquired and liabilities assumed, management makes significant estimates and assumptions, especially with respect to intangible assets. The Company utilizes commonly accepted valuation techniques, such as the income approach in establishing the fair value of intangible assets. See "Note 3 – Business combination" for additional detail.

Intangible Assets

Indefinite-lived intangibles are carried at the initially recorded fair value less any recognized impairment. Indefinite-lived intangibles are tested at least annually for impairment. Impairment assessments are conducted more frequently if certain conditions exist, including a change in the competitive landscape, any internal decisions to pursue new or different technology strategies, or a significant change in the marketplace, including changes in the size of the market for the Company's products. In performing the impairment test, the Company estimates the fair value of the indefinite-lived intangible asset and compares it to the carrying value. If they carrying value exceeds the estimated fair value, the Company records an impairment loss for the difference. For the three months ended March 31, 2025, there were no impairment charges. For further discussion of identified intangible assets, see "Note 3 – Business combination".

Recent accounting pronouncements

In December 2023, the FASB issued ASU No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09"). ASU 2023-09 requires entities to provide additional information in their tax rate reconciliation and additional disclosures about income taxes paid by jurisdiction. ASU 2023-09 is effective for annual reporting periods beginning after December 15, 2024, with early adoption permitted. The guidance should be applied prospectively, but entities have the option to apply it retrospectively for each period presented. The Company is currently evaluating the impact of adopting this new accounting guidance.

Note 3 – Business combination

On April 11, 2024, the Company acquired 100% of Clade, a privately held biotechnology company focused on discovering and delivering engineerable, off-the-shelf, scalable, and consistent stem cell-based medicines, with a focus on iPSC-derived αβ T cells. The acquisition expanded the Company's pipeline by incorporating three additional preclinical-stage programs from Clade's αβ iT platform spanning across cancer and autoimmune diseases. The results of Clade's operations have been included in the consolidated financial statements since that date. A total of 3,741,646 common shares were issued to the Clade stockholders on the date of close, which were valued based on the closing price of common stock on that date.

Contingent consideration was estimated at fair value on the date of the close and consists of both additional stock consideration ("Holdback Shares") as well as a contingent milestone payment of $10,000 ("Clade Milestone"). The Holdback Shares total up to 793,687 shares of common stock consideration which will be issued and delivered to the sellers on the eighteen-month anniversary of the Closing Date, subject to potential reduction based on indemnification claims favoring the Company, if any. This contingent consideration was recorded at fair value as of the closing date, based on the closing stock price on that date, adjusted for a discount for lack of marketability, and totaled $2,600. Contingent consideration also includes the Clade Milestone, which consists of one potential clinical development milestone payment of $10,000, which may be paid in cash, shares, or a combination thereof, upon the achievement of the milestone. The fair value of this contingent consideration was estimated based on the probability of milestone achievement, and an estimated discount rate, and totaled $7,100.

The Company recognized $895 of acquisition-related costs during the year ended December 31, 2024, which were expensed as incurred in the consolidated statement of operations. No such expenses were recorded during the three months ended March 31, 2025.

The following table summarizes the fair values of the assets acquired and liabilities assumed at the date of the acquisition:

Consideration transferred:		
Cash consideration	$	14,854
Fair value of common stock (3,741,646 at closing price of $4.05)		15,154
Contingent consideration		9,722
Total consideration transferred	$	39,730
Assets acquired:		
Cash and restricted cash	$	5,246
Prepaid expenses and other assets		400
Property and equipment		2,652
Right-of-use operating lease		8,065
In-process research and development ("IPR&D")		34,200
Goodwill		4,327
Total assets acquired	$	54,890
Liabilities assumed:		
Accounts payable	$	868
Accrued expenses and other current liabilities		2,352
Lease liabilities - operating lease		8,065
Contingent consideration		372
Deferred tax liability		3,503
Total liabilities assumed	$	15,160
Net assets acquired	$	39,730

As of December 31, 2024, the purchase price was final and changes from the preliminary purchase price were immaterial. The purchase price was allocated to the tangible assets and identifiable intangible assets acquired and liabilities assumed based on their acquisition date estimated fair values. The identifiable intangible assets consist of IPR&D which were assigned fair values of $34,200. The fair value of the IPR&D was estimated using the multi-period excess earnings method, which the Company estimates future cash flows attributable to the technology and applies a probability of success and a discount rate of 26.9%.

These nonrecurring fair value measurements are Level 3 measurements within the fair value hierarchy.

Goodwill represents the excess of the purchase price over the net identifiable tangible and intangible assets acquired. The Company believes the goodwill related to the acquisition was attributable to the expected synergies and value of the assembled workforce as well as the collective experience of the management team with regards to its operations. The goodwill is not expected to be tax deductible.

As of December 31, 2024, given the sustained decrease of the Company’s market capitalization, the carrying value of the single, entity-wide reporting unit exceeded its fair value, and accordingly, the Company recorded a goodwill impairment charge of $4,327 to write off the goodwill balance.

Note 4—Financial instruments and fair value measurements

The following table sets forth the Company's assets that were measured at fair value as of March 31, 2025 by level within the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
Assets:				
Cash equivalents	$ 46,142	—	—	$ 46,142
U.S. Treasury	—	30,697	—	30,697
Corporate bonds	—	103,272	—	103,272
Total	$ 46,142	$ 133,969	$ —	$ 180,111
Liabilities:				
Contingent consideration	—	—	8,500	8,500
Total	$ —	$ —	$ 8,500	$ 8,500

The following table sets forth the Company's assets that were measured at fair value as of December 31, 2024, by level within the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
Cash equivalents	$ 50,884	—	—	$ 50,884
U.S. Treasury	—	29,994	—	29,994
Corporate bonds	—	131,675	—	131,675
Total	50,884	$ 161,669	$ —	$ 212,553
Liabilities:				
Contingent consideration	—	—	8,738	8,738
Total	$ —	$ —	$ 8,738	$ 8,738

There were no transfers between levels during the period ended March 31, 2025. The Company uses the services of its investment manager, which uses widely accepted models for assumptions in valuing securities with inputs from major third-party data providers.

The Company classifies all of its investments in fixed maturity debt securities as available-for-sale and, accordingly, are carried at estimated fair value.

The amortized cost, gross unrealized gains and losses, and fair value of investments in fixed maturity securities are as follows as of March 31, 2025:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury	$ 30,637	$ 61	$ (1)	$ 30,697
Corporate bonds	103,046	251	(25)	103,272
Total	$ 133,683	$ 312	$ (26)	$ 133,969

The amortized cost, gross unrealized gains and losses, and fair value of investments in fixed maturity securities are as follows as of December 31, 2024:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury	$ 29,898	$ 97	$ (1)	$ 29,994
Corporate bonds	131,395	316	(36)	131,675
Total	$ 161,293	$ 413	$ (37)	$ 161,669

The following table provides the maturities of our fixed maturity available-for-sale securities:

	March 31, 2025	December 31, 2024
Less than one year	$ 113,256	$ 130,851
One to five years	20,713	30,818
	$ 133,969	$ 161,669

The Company has evaluated the unrealized losses on the fixed maturity securities and determined that they are not attributable to credit risk factors. For fixed maturity securities, losses in fair value are viewed as temporary if the fixed maturity security can be held to maturity and it is reasonable to assume that the issuer will be able to service the debt, both as to principal and interest.

At March 31, 2025 and December 31, 2024, the Company had 34 and 27 available-for-sale investment debt securities in an unrealized loss position without an allowance for credit losses, respectively. Unrealized losses on corporate debt securities have not been recognized into income because the issuers' bonds are of high credit quality (rated BBB+ or higher) and the decline in fair value is largely due to market conditions and or changes in interest rates. Management does not intend to sell and it is likely that management will not be required to sell the securities prior to the anticipated recovery of their amortized cost basis. The issuers continue to make timely payments on the bonds. The fair value is expected to recover as the bonds approach maturity.

As of March 31, 2025 and December 31, 2024, accrued interest receivable on available-for-sale investment debt securities totaling $983 and $1,254, respectively, is excluded from the estimate of credit losses and is included in prepaid expenses and other current assets.

The following is a rollforward of the components of the Company's contingent consideration liability (See Note 8 – Commitments and contingencies):

	Gadeta	Holdback Shares	Milestone	Total
Balance as of December 31, 2024	$ 413	$ 625	$ 7,700	$ 8,738
Changes in fair value	-	(336)	98	(238)
Balance as of March 31, 2025	$ 413	$ 289	$ 7,798	$ 8,500

The following table includes quantitative information about the significant unobservable inputs for the components of the Company's contingent consideration liability as of March 31, 2025, and December 31, 2024, respectively:

	March 31, 2025	December 31, 2024
Gadeta Earnout:		
Probability adjusted value of payment	$ 1,060	$ 1,060
Discount rate	12.4%	12.4%
Discount period (years)	8.1	8.1
Holdback Shares		
Closing stock price on valuation date	$ 0.48	$ 1.01
Discount for lack of marketability	$ (0.11)	$ (0.22)
Clade Milestone:		
Probability adjusted value of payments	$ 9,000	$ 9,000
Discount rate	11.3%	10.3%
Discount period (years)	1.3	1.6

Note 5—Property and equipment, net

The following is a summary of property and equipment, net:

	March 31, 2025	December 31, 2024
Lab equipment	$ 32,555	$ 32,385
Leasehold improvements	61,617	61,577
Construction in progress	326	97
Computer software and equipment	2,919	2,919
Furniture and fixtures	1,221	1,221
Total	98,638	98,199
Less: Accumulated depreciation	(39,106)	(36,058)
Property and equipment, net	$ 59,532	$ 62,141

Depreciation expense was $3,221 and $3,226 for the three months ended March 31, 2025 and 2024, respectively.

Note 6—Accrued expenses and other liabilities

The following is a summary of accrued expenses:

	March 31, 2025	December 31, 2024
Payroll and bonuses	$ 2,944	$ 7,703
Accrued clinical trial related costs	727	2,196
Professional and legal fees	2,266	2,617
Operating lease liability, current	4,882	4,870
Other	111	75
Total accrued expenses and other liabilities	$ 10,930	$ 17,461

Note 7 – Bristol-Myers Squibb Collaboration

On January 7, 2022, the Company entered into the Collaboration Agreement with Bristol-Myers Squibb to collaborate on the research, development and commercialization of iNK and iT cell programs for hematologic malignancies and solid tumors (“Collaboration Program,” and each product candidate a “Development Candidate”). The Collaboration Agreement was within the scope of ASC 808, Collaborative Arrangements as both parties were active participants in the arrangement and are exposed to significant risks and rewards. While this arrangement was in the scope of ASC 808, the Company analogizes to ASC 606 for the accounting for the Collaboration Agreement, including for the delivery of goods and services (i.e., units of account). Revenue recognized by analogizing to ASC 606 is recorded as collaboration revenue in the statements of operations.

Pursuant to the Collaboration Agreement, the Company and Bristol-Myers Squibb collaborated on two collaboration programs focused on acute myeloid leukemia (“AML”) and multiple myeloma (“MM”) (“Collaboration Programs”), and Bristol-Myers Squibb had the option to add up to two additional Collaboration Programs for an additional fee. The Company was responsible for generating Development Candidates for each Collaboration Program, and Bristol-Myers Squibb had the option to elect to exclusively license the Development Candidates for pre-clinical development, clinical development and commercialization on a worldwide basis (“License Option”).

Under the terms of the Collaboration Agreement, Bristol-Myers Squibb made a non-refundable, upfront cash payment of $100,000 and agreed to pay an exercise fee upon the exercise of the License Option (“Licensed Program” and product candidates developed under a Licensed Program, “Licensed Products”). For each Licensed Program, Bristol-Myers Squibb agreed to pay up to $235,000 in milestone payments upon the first

achievement of certain development and regulatory milestones and agreed to pay up to $500,000 per Licensed Product in net sales-based milestone payments.

In connection with the Collaboration Agreement, Bristol-Myers Squibb purchased 2,160,760 shares of the Company's common stock at a price per share of $23.14, for an aggregate purchase price of $50,000. In determining the fair value of the common stock issued to Bristol-Myers Squibb, the Company considered the closing price of the common stock on the date of the transaction and included a lack of marketability discount because the shares are subject to certain restrictions. The Company determined the common stock purchase represented a premium of $7.82 per share, or $23,187 in the aggregate ("Equity Premium"), and the remaining $26,813 was recorded as issuance of common stock in stockholders' equity.

The Company identified the following commitments under the arrangement: (i) research and development services ("R&D Services") under each of the two initial Collaboration Programs and (ii) Bristol-Myers Squibb's License Option to elect to exclusively license the Development Candidates for each of the two initial Collaboration Programs. The Company determined that these four commitments represented distinct performance obligations for purposes of recognizing revenue and would have recognized revenue if the Company had fulfilled such performance obligations.

The Company determined that the upfront payment and equity premium constituted the transaction price at the inception of the Collaboration Agreement. The future potential development and regulatory milestone payments were fully constrained at contract inception as the risk of significant revenue reversal related to these amounts has not yet been resolved. The achievement of the future potential milestones was not within the Company's control and was subject to certain research and development success and therefore carried significant uncertainty.

The total transaction price of $123,187 was allocated to the performance obligations based on their estimated standalone selling price on January 7, 2022. The stand-alone selling price of the research and development services was estimated using the expected cost-plus margin approach, and the stand-alone selling price of the License Options was based on a discounted cash flow approach and considered several factors including, but not limited to, discount rate, development timeline, regulatory risks, estimated market demand, and future revenue potential using an adjusted market approach. The allocated transaction price is recognized as revenue in one of two ways:

- Research and development services: The Company recognized the portion of the transaction price allocated to each of the research and development performance obligations as the research and development services are provided, using an inputs method, in proportion to costs incurred to date for each research development target as compared to total costs incurred and expected to be incurred in the future to satisfy the underlying obligation related to each research and development target. The transfer of control occurs over this period and, in management's judgment, is the best measure of progress towards satisfying the performance obligation.

- License option rights: The transaction price allocated to the license options rights, which were considered material rights to license and commercialize the underlying research and development target, were deferred until the period that Bristol-Myers Squibb would have elected to exercise or not exercise its option or when the option to exercise expired.

Following an internal corporate portfolio prioritization process, Bristol-Myers Squibb notified the Company on December 12, 2024 that it would be terminating the Collaboration Agreement in its entirety without cause after the mandatory 90 day notification period. The termination was effective on March 12, 2025. As a result of the notice of termination, the Company concluded that the research and development services being provided to Bristol-Myers Squibb were substantially complete as of December 31, 2024, and accordingly, the remaining transaction price allocated to that performance obligation was recorded in the fourth quarter of 2024. The remaining transaction price related to the license option rights, which represented a material right, of $109,164 was recognized in this fiscal quarter as the option rights expired upon the termination of the

Collaboration Agreement. There will be no future collaboration revenues recognized under the Collaboration Agreement.

Note 8—Commitments and contingencies

From time to time, the Company may have certain contingent liabilities that arise in the ordinary course of its business activities. The Company accrues a liability for such matters when future expenditures are probable and such expenditures can be reasonably estimated.

Distributed Bio Master Service Agreement

On July 24, 2019, the Company entered into a Master Service Agreement with Distributed Bio, Inc ("DBio"), whereby DBio will screen for protein binders that bind to specific therapeutic targets (the "Master Service Agreement"). The Company pays for such services according to a payment schedule, and if the Company brings the protein binders into the clinic for further development, DBio will receive milestone payments of up to $16,100 in total for each product as the products move through the clinical development and regulatory approval processes. No milestone payments were due since the inception of the agreement.

The Company had $66 within accounts payable as of March 31, 2025 and $65 as of December 31, 2024, in its consolidated balance sheets related to the Master Service Agreement. During the three months ended March 31, 2025 and 2024, there were $66 and $56 in research and development expenses, respectively.

iCELL Inc. Sublicense Agreement

In March 2020, the Company entered into a Sublicense Agreement with iCELL Inc ("iCELL") whereby iCELL granted the Company a license of certain patents and technology. The Company will pay iCELL royalties in the low single digits on net sales of the licensed product. In addition to the earned royalties, the Company will pay sales milestones, not to exceed $70,000, for the sales of the licensed product. iCELL is also eligible to receive payments of up to $4,250 in development and regulatory approval milestone payments. No milestones or royalties were due in 2025 or 2024.

Clade Therapeutics

In connection with the acquisition of Clade Therapeutics (Note 3 – Business combination), the Company is subject to a contingent milestone payment to the shareholders of Clade. The milestone payment is $10,000 and is payable in cash, shares of Century, or a combination thereof, at the discretion of Century.

A total of 793,687 shares ("Holdback Shares") representing approximately 10% of the aggregate consideration, were held back at the closing of the acquisition as recourse to satisfy certain indemnification obligations of the Clade shareholders under the Merger Agreement should they arise and, subject to any forfeiture of Holdback Shares as a result of indemnification claims made prior to the 18-month anniversary of the Closing, will be issued pursuant to the terms of the Merger Agreement following the 18-month anniversary of the Closing.

In connection with the acquisition of Clade, the Company also assumed an earn-out obligation ("Gadeta Milestone") that is contingent on a clinical development milestone of a product that incorporates Gadeta intellectual property between the acquisition date and December 31, 2032. The total payment to the shareholders of Gadeta is upon the occurrence of such an event is $20,000.

Note 9—Leases

The Company has commitments under operating leases for certain facilities used in its operations. The Company maintains security deposits on certain leases in the amounts of $403 within security deposits and non-current assets in its consolidated balance sheets at March 31, 2025 and December 31, 2024, respectively. The Company's leases have initial lease terms ranging from 5 to 16 years. Certain lease agreements contain provisions for future rent increases.

The following table reflects the components of lease expense:

	For the Three Months Ended March 31, 2025	For the Three Months Ended March 31, 2024
Operating lease expense:		
Fixed lease cost	$ 1,744	$ 1,085
Variable lease cost	664	450
Short term lease expense	—	—
Total operating lease expense	$ 2,408	$ 1,535

The following table reflects supplemental balance sheet information related to leases:

	Location in Balance Sheet	As of March 31, 2025	As of December 31, 2024
Operating lease right-of-use asset, net	Operating lease right-of-use assets	$ 28,232	$ 28,706
Operating lease liability, current	Accrued expenses and other liabilities	$ 4,882	$ 4,870
Operating lease liability, long-term	Operating lease liability, long-term	47,793	48,960
Total operating lease liability		$ 52,675	$ 53,830

The following table reflects supplement lease term and discount rate information related to leases:

	As of March 31, 2025	As of December 31, 2024
Weighted-average remaining lease terms - operating leases	7.2 years	7.4 years
Weighted-average discount rate - operating leases	10.4 %	10.4 %

The following table reflects supplemental cash flow information related to leases as of the periods indicated:

	For the Three Months Ended March 31, 2025	For the Three Months Ended March 31, 2024
Operating cash flows from operating leases	$ (1,154)	$ (2,186)

The following table reflects future minimum lease payments under noncancelable leases as of March 31, 2025:

	Operating Leases
2025	$ 7,341
2026	9,327
2027	9,573
2028	9,826
2029	10,085
Thereafter	36,029
Total lease payments	82,181
Less: Imputed interest	(25,362)
Less: Tenant incentive receivable	(4,144)
Total	$ 52,675

Note 10—Income taxes

During the three months ended March 31, 2025 and 2024, the Company recorded no income tax benefits for the net operating losses incurred or for the research and development tax credits generated in the U.S. due to its uncertainty of realizing a benefit from those items.

Note 11—Basic and diluted net income (loss) per common share

The Company's potentially dilutive securities, which include RSUs ("Restricted Stock Units"), restricted stock, warrants, early exercised stock options and stock options to purchase shares of the Company's common stock, have been included in the computation of dilutive net income (loss) per share as applicable. The weighted-average number of shares of common stock outstanding used to calculate both basic and diluted net income per share was 86,021,188 and 86,098,619 respectively for the three months ended March 31, 2025. The Company excluded the following potential shares of common stock presented based on amounts outstanding at each stated period end, from the computation of diluted net income (loss) per share for the three months ended March 31, 2025 and 2024 because including them would have had an anti-dilutive effect.

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Stock options to purchase common stock	6,556,371	4,739,854
Early exercised stock options subject to future vesting	7,731	84,380
Restricted stock awards subject to future vesting	—	24,731
Unvested restricted stock units	4,676,785	3,941,432
Warrants	32,009	32,009
Total	11,272,896	8,822,406

Note 12—Stock-based compensation

On June 17, 2021, the Company adopted the Century Therapeutics, Inc. 2021 Equity Incentive Plan (the "2021 Incentive Plan") which superseded the 2018 Incentive Plan and from that date forward all issuances of incentive awards will be governed by the 2021 Incentive Plan.

The 2021 Incentive Plan provides for the Company to sell or issue common stock or restricted common stock, RSUs, or to grant incentive stock options or nonqualified stock options for the purchase of common stock, to employees, members of the Board of Directors, and consultants of the Company under terms and provisions established by the Board of Directors. Under the terms of the 2021 Incentive Plan, options may be granted at an exercise price not less than fair market value.

Upon adoption of the 2021 Incentive Plan, the Company was authorized to issue 5,481,735 shares of Common Stock under the 2021 Incentive Plan (which represents 5,640,711 shares of Common Stock initially available for grant under the 2021 Incentive Plan less 158,976 shares of Common Stock reserved for issuance upon the exercise of previously granted stock options that remain outstanding under the 2018 Incentive Plan). The number of shares of common stock initially reserved for issuance under the 2021 Incentive Plan shall be increased, upon approval by the Board of Directors, on January 1, 2022 and each January 1 thereafter, in an amount equal to the least of (i) five percent (5%) of the outstanding common stock on the immediately preceding December 31, or (ii) such number of common stock determined by the Board of Directors no later than the immediately preceding December 31. For 2023, the 2021 Incentive Plan reserved shares were increased under clause (i) by 2,954,788 shares, effective as of January 1, 2023. For 2024, the 2021 Incentive Plan reserved shares were increased under clause (i) by 3,025,220 shares, effective as of January 1, 2024. As of March 31, 2025, there were 4,337,663 shares available for issuance under the 2021 Incentive Plan.

The Company's stock-based awards are subject to service-based vesting conditions. Compensation expense related to awards to employees and directors with service-based vesting conditions is recognized on a straight-line basis based on the grant date fair value over the associated service period of the award, which is generally the vesting term. Stock awards granted typically vest over a four-year period but may be granted with different vesting terms. The Company may also issue awards with performance-based vesting conditions. For performance-based awards, the Company would reassess at each reporting date whether achievement of the performance condition is probable and accrue compensation expense if and when the achievement of the performance condition is probable. During the quarter ended June 30, 2023, the Company issued performance-based RSUs that represent a contingent right to receive one share of the Company's common stock. The RSUs shall vest 50% on November 1, 2023, with the remaining 50% vesting upon the earlier of: (i) November 1, 2024; and (ii) satisfaction of certain performance criteria. The Company is currently recording expense for these RSUs on the straight-line basis.

The Company recognizes the costs of the stock-based payments as the employees vest in the awards.

As of March 31, 2025, the Company had reserved shares of common stock for issuance as follows:

	Shares
Options and RSUs issued and outstanding	11,310,587
Shares available for future stock option and RSU grants	4,337,663
Shares available for employee stock purchase plan	745,518
Total	16,393,768

The shares of Common Stock available under the 2021 Incentive Plan as of March 31, 2025 are as follows:

	Shares
Balance December 31, 2024	3,691,145
Shares reserved for issuance	4,291,821
Options granted	(1,486,125)
RSU's granted	(2,337,892)
Options and RSUs forfeited / cancelled	178,684
Balance March 31, 2025	4,337,633

Stock Options

The following table summarizes stock option activity for the three month period ended March 31, 2025:

	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in thousands)
Outstanding January 1, 2025	5,310,229	$ 5.66	4.14	$ 76
Granted	1,486,125	0.60	—	—
Exercised	(13,694)	1.03	—	—
Forfeited	(148,858)	5.91	—	—
Outstanding, March 31, 2025	6,633,802	$ 5.53	3.45	$ 35
Exercisable at March 31, 2025	5,651,511	$ 7.09	5.53	$ 35

The weighted average grant date fair value of awards for options granted during the three months ended March 31, 2025 was $5.61. As of March 31, 2025, there was $14,952 of total unrecognized compensation expense related to unvested stock options with time-based vesting terms, which is expected to be recognized over a weighted average period of 2.78 years. The aggregate intrinsic value of options vested and exercisable as of March 31, 2025 and 2024 is calculated based on the difference between the exercise price and the fair value of our common stock. The intrinsic value of options exercised in 2025 and 2024 was $35 and $1,862, respectively.

The Company estimates the fair value of its option awards to employees and directors using Black-Scholes, which requires inputs and subjective assumptions, including (i) the expected stock price volatility, (ii) the calculation of the expected term of the award, (iii) the risk-free interest rate and (iv) expected dividends. Due to the lack of substantial company-specific historical and implied volatility data of its common stock, the Company has based its estimate of expected volatility on the historical volatility of a group of similar public companies. Starting in June of 2023, the Company had sufficient historical information regarding stock trading history, and started to use the Company's own stock volatility. The Company has never paid dividends and does not expect to in the foreseeable future. The expected term of the options granted to employees is derived from the "simplified" method as described in Staff Accounting Bulletin 107 relating to stock-based compensation. The risk-free interest rates for periods within expected term of the option are based on the U.S. Treasury securities with a maturity date commensurate with the expected term of the associated award. The Company will account for actual forfeitures as they occur.

The weighted-average assumptions used to calculate the fair value of stock options granted are as follows:

	March 31, 2025	December 31, 2024
Expected dividend rate	—	—
Expected option term (years)	6.08	6.02
Expected volatility	79.49 %	78.84 %
Risk-free interest rate	3.93 %	4.29 %

Stock-based compensation expense recorded under ASC 718 related to stock options granted and common stock issued under the 2021 Employee Stock Purchase Plan (the "ESPP") were allocated to research and development and general and administrative expense as follows:

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Research and development	$ 1,580	$ 1,748
General and administrative	846	1,459
Total stock-based compensation	$ 2,426	$ 3,207

Stock-based compensation expense by award type included within the condensed consolidated statements of operations is as follows:

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Stock options	1,858	$ 2,091
Restricted stock units	493	1,014
Restricted stock awards	40	45
Employee stock purchase plan	35	57
Total stock-based compensation	$ 2,426	$ 3,207

Restricted Stock Units

The following table summarizes RSU activity for the three months ended March 31, 2025:

	Shares	Weighted Average Grant Date Fair Value
Total Unvested December 31, 2024	2,852,909	$ 2.83
Granted	2,337,892	0.60
Forfeited	(29,826)	5.01
Vested	(484,190)	0.75
Total Unvested March 31, 2025	4,676,785	$ 2.83

As of March 31, 2025, there was $5,108 of total unrecognized compensation expense related to the unvested restricted stock with time-based vesting terms, which is expected to be recognized over a weighted average period of 2.07 years.

Restricted Stock Awards

The following table summarizes restricted stock activity as of March 31, 2025 and December 31, 2024:

	Shares	Weighted Average Grant Date Fair Value
Total Unvested December 31, 2024	24,734	$ 7.27
Granted	—	—
Forfeited	—	—
Vested	(24,734)	7.27
Total Unvested March 31, 2025	—	$ 7.27

As of March 31, 2025, there was no unrecognized compensation expense related to the unvested restricted stock with time-based vesting terms. All restricted stock vests over a four-year period.

Early-Exercise of Unvested Equity Awards

Certain equity award holders early exercised unvested equity awards. The cash received upon early exercise of options of $0 and $491 was recorded as a deposit liability on the Company's balance sheet as of March 31, 2025 and March 31, 2024, respectively.

Employee Stock Purchase Plan

The ESPP was adopted by the Board of Directors in May 2021. A total of 564,071 shares of common stock were initially reserved for issuance under this plan, which shall be increased, upon approval by the Board of Directors, on January 1, 2022 and each January 1 thereafter, to the lesser of (i) one percent (1%) of the outstanding shares of common stock on the last day of the immediately preceding fiscal year, or (ii) an amount determined by the Board of Directors no later than the last day of the immediately preceding fiscal

year. For 2022, the ESPP reserved shares were increased under clause (i) by 550,055 shares, effective as of January 1, 2022. For 2023 and 2024, the board waived the annual increase to the shares reserved under the ESPP. As of March 31, 2025, there were 745,518 shares available for issuance, under the ESPP.

Note 13—Related party transactions

License Agreements and Collaborative Agreements with Shareholder

The Company owns licenses and other contracts with FUJIFILM Cellular Dynamics, Inc. (“FCDI”). FCDI is a shareholder of the Company. The acquired licenses and other contracts with FCDI are as follows:

FCDI Agreements

The Company owns a non-exclusive license agreement with FCDI. The license provides the Company with certain patents and know-how related to the reprogramming of human somatic cells to induce pluripotent stem cells (“iPSCs”) (“Reprogramming License Agreement”). Under this agreement, the Company is required to make certain developmental and regulatory milestone payments as well as royalty payments upon commercialization. Royalties are in the low single digits on the sale of all licensed products.

The Company also owns an exclusive license agreement with FCDI (“Differentiation Licenses Agreement”). The Differentiation Licenses Agreement provides the Company with patents and know-how related to human iPSC exclusively manufactured by FCDI.

In October 2019, the Company entered into the Master Collaboration Agreement with FCDI (“Collaboration Agreement”), whereby FCDI provides certain services to the Company to develop and manufacture iPSCs and immune cells derived therefrom. FCDI provides services in accordance with the approved research plan and related research budget. The initial research plan covered the period from October 2019 through March 31, 2022. In July, 2022 the Company amended the Collaboration Agreement to extend the term through September 30, 2025, and in September 2023, the Company amended the Collaboration Agreement in connection with the Autoimmune License (as defined below).

In March 2021, the Company entered into a Manufacturing Agreement with FCDI (“Manufacturing Agreement”), pursuant to which FCDI provides certain agreed upon technology transfer, process development, analytical testing and cGMP manufacturing services to the Company.

In January 2022, the Company and FCDI entered into a letter agreement (the “Letter Agreement”), which amended the Reprogramming License Agreement, Differentiation License Agreement and Manufacturing Agreement (the “FCDI Agreements”) pursuant to the Company’s Research Collaboration and License Agreement with Bristol-Myers Squibb. Pursuant to the Letter Agreement, and in consideration for amending the FCDI Agreements, the Company paid to FCDI an upfront payment of $10,000 and will pay FCDI (i) a percentage of any milestone payments received by the Company under the FCDI Collaboration Agreement in respect of achievement of development or regulatory milestones specific to Japan, and (ii) a percentage of all royalties received by the Company under the FCDI Collaboration Agreement in respect of sales of products in Japan.

In September 2023 the Company and FCDI entered into a worldwide license agreement whereby FCDI will grant non-exclusive licenses to the Company for certain patent rights and know-how related to cell differentiation and reprogramming for the development and commercialization of iPSC-derived therapies for the treatment of inflammatory and autoimmune diseases (the “Autoimmune License”). In addition, the Company and FCDI entered into an amendment to each of the Reprogramming License and the Differentiation License to expand the licenses related to the development and commercialization of iPSC-derived cancer immunotherapeutic to also include inflammatory and autoimmune diseases. Under the terms of these agreements, FCDI will be eligible to receive certain development and regulatory milestone payments as well as low single-digit royalties related to products developed in connection with such agreements.

During the three months ended March 31, 2025 and 2024, the Company made payments of $1,517 and $2,707 and incurred research and development expenses of $1,492 and $2,666, and recorded within research and development expenses in its consolidated statements of operations and comprehensive income (loss), respectively.

Bayer Option Agreement

Bayer Health, LLC ("Bayer") has the right of first refusal to acquire certain products researched and developed by the Company. Subject to certain exceptions, Bayer's right of first refusal is exercisable with respect to up to four products and may only exercise these option rights in a non-sequential and alternating manner, and such rights are subject to additional limitations.

Note 14 – Common Stock

At-The-Market

The Company has a Sales Agreement ("Sales Agreement"), with Cowen and Company, LLC, or ("Cowen") to provide for the offering, issuance and sale of up to an aggregate amount of $150,000 of common stock from time to time in "at-the-market" offerings (the "ATM Program") pursuant to its shelf registration statement on Form S-3 (File No. 333-265975) and subject to the limitations thereof. During the quarter ended March 31, 2025, the Company did not have any sales in the ATM Program.

Note 15—Segment Reporting

Operating segments are identified as components of an enterprise for which separate discrete financial information is available for evaluation by the chief operating decision maker ("CODM") in making decisions on how to allocate resources and assess performance. The Company views its operations and manages the business as one operating segment. The Company's CODM is its Chief Executive Officer. The CODM uses research and development expenses, general and administrative expenses, and net loss as measures of profit or loss to assess performance and allocate resources, all of which are presented on the face of the financial statements. The CODM also uses a further breakdown of research and development expenses to assess performance and allocate resources as presented below:

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Collaboration revenue	$ 109,164	$ 855
Less cost and expense:		
Research and development		
Personnel and related costs	$ 9,984	$ 9,761
Facility and other allocated costs	5,322	4,692
Research and laboratory	9,475	8,042
Other research and development	1,799	926
General and administrative	8,408	8,743
Other segment (income)/expense	(2,384)	(3,247)
Net income (loss)	$ 76,560	$ (28,062)

Other segment (income)/expense includes interest expense, interest income, other income (expense), and provision for income taxes.

Note 16—Subsequent Events

The Company has evaluated subsequent events through the filing of this Quarterly Report on Form 10-Q, and determined that there have been no events that have occurred that would require adjustments to our disclosures in the consolidated financial statements.

Item 2. Management's discussion and analysis of financial condition and results of operations

The following discussion and analysis should be read in conjunction with our financial statements and accompanying notes included in this Quarterly Report on Form 10-Q and the financial statements and accompanying notes thereto for the fiscal year ended December 31, 2024 and the related Management's Discussion and Analysis of Financial Condition and Results of Operations, which are contained in our Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") on March 19, 2025 (the "Annual Report"). This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Such forward-looking statements, which represent our intent, belief, or current expectations, involve risks and uncertainties and other factors that could cause actual results and the timing of certain events to differ materially from future results expressed or implied by such forward-looking statements. In some cases you can identify forward-looking statements by terms such as "may," "will," "expect," "anticipate," "estimate," "intend," "plan," "predict," "potential," "believe," "should" and similar expressions. Factors that could cause or contribute to differences in results include, but are not limited to, those set forth under "Risk Factors" in our Annual Report. Except as required by law, we undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date of this report or to reflect actual outcomes.

Overview

We are a clinical-stage biotechnology company harnessing the power of allogeneic pluripotent stem cell therapies to develop potentially curative cell therapy products for autoimmune diseases and cancer. Our natural killer, or NK, and T cell programs are allogeneic, meaning they are derived from healthy donors for use in any patient, rather than being sourced from an individual for their own specific use, as is the case with autologous T cells. As a result, we believe such "off-the-shelf" therapies have the potential to overcome the limitations of first-generation cell therapies by providing readily available treatments more quickly, reliably, at greater scale, and to a broader patient population. What we believe further sets us apart from other allogeneic approaches is our focus on induced pluripotent stem cells, or iPSCs, which possess the unique ability to self-renew indefinitely and differentiate into any cell type, enabling virtually unlimited genetic editing, consistent reproducibility, and scalable manufacturing. We have created a comprehensive, genetically engineered allogeneic cell therapy platform that includes:

- Industry-leading iPSCs and differentiation know-how to generate immune effector cells from iPSCs, or iPSC-derived cells;
- Clustered regularly interspaced short palindromic repeats, or CRISPR mediated precision gene editing that allows us to incorporate multiple transgenes and disrupt target genes intended to optimize cell product performance;
- Sophisticated protein engineering capabilities to develop proprietary next generation chimeric antigen receptors, or CARs;
- Our proprietary Allo-Evasion™ technology intended to prevent rejection of our cell products by the host immune system, enabling the potential for persistence and re-dosing of therapy; and
- Cutting-edge manufacturing capabilities intended to drive scale advantages and reduce cost of goods sold, or COGs, while minimizing product development and supply risk.

We are leveraging our expertise in cellular reprogramming, differentiation, genetic engineering, and manufacturing to develop therapies with the potential to provide enhanced clinical outcomes compared to existing cell therapy technologies and available therapeutic options. We are unique in the breadth of immune effector cell types we can generate from iPSCs, including iPSC-derived natural killer cells, or iNK cells, iPSC-derived $\gamma\delta$ T cells, or $\gamma\delta$ IT cells and iPSC-derived CD4+ and CD8+ $\alpha\beta$ T cells, or $\alpha\beta$ iT cells, and iPSC-derived B cells. We believe this capability enables optimal matching of cell characteristics to indication,

ensuring we target the right cell for the right indication. Further, we have developed a feeder-free, scalable process that recapitulates normal T cell development in a dish, allowing for what we believe to be the industry-first presentation of iPSC-derived CD4+ and CD8+ CAR-T cells that demonstrate αβ-like T cell function.

Our lead product candidate, CNTY-101, is a CAR-iNK cell therapy with six precision gene edits currently being tested in a Phase 1 clinical trial for patients with B-cell mediated autoimmune diseases. In March 2025, we announced that we have discontinued CNTY-101 evaluation in a Phase 1 clinical trial for patients with lymphoma for strategic reasons. While we remain encouraged by tolerability and clinical activity of CNTY-101 in late-stage R/R NHL, emerging data from ELiPSE-1 did not meet our threshold to be considered transformational in this patient population.

In March 2025, we also announced a re-prioritized pre-clinical pipeline intended to further leverage the unique capabilities and technologies we have towards transformative treatments holding strong commercial potential to treat serious diseases with high unmet need. Accordingly, in addition to our clinical stage programs, we will be focusing on three core pre-clinical programs built on our industry leading iT cell platform. We believe these programs have significant potential for differentiation in their respective categories.

- CNTY-308: A CD19-targeted CAR-iT cell therapy engineered with Allo-Evasion™ 5.0 demonstrating preclinical efficacy comparable to autologous CD19 CAR-T cells. It is being developed primarily for B-cell mediated autoimmune diseases and malignancies.

- CNTY-341: A CD19/CD22 dual-targeted CAR-iT cell therapy engineered with Allo-Evasion™ 5.0 which pairs dual targeting and primary T-cell-like functionality in an allogeneic cell with the goal of providing a differentiated therapy for B cell malignancies.

- Our first solid tumor CAR iT program exploiting Nectin-4 CAR and other validated targets, engineered with Allo-Evasion™ 5.0 and additional engineering aimed at overcoming the key barriers to success in solid tumors.

- We are also selectively expanding to non-immune effector cells where we believe there are opportunities to potentially accelerate in high-impact therapeutic areas where we believe our technology and capabilities can provide meaningful differentiation.

Our vision is to become a premier, fully integrated biotechnology company by developing and ultimately commercializing off-the-shelf allogeneic cell therapies that dramatically and positively transform the lives of patients suffering from life-threatening autoimmune diseases and cancers. To achieve our vision, we have assembled a world-class team with decades of collective experience in cell therapy and drug development, manufacturing, and commercialization.

Based on our current business plans, we believe our cash, cash equivalents and investments as of March 31, 2025, will be sufficient for us to fund our operating expenses and capital expenditures requirements into the fourth quarter of 2026. We have based this estimate on assumptions that may prove to be wrong, and we could exhaust our available capital resources sooner than we expect. We anticipate that our expenses and operating losses will increase substantially over the foreseeable future. The expected increase in expenses will be driven in large part by our ongoing activities, if and as we:

- continue to advance our iPSC cell therapy platforms;

- progress clinical development of CNTY-101 and continue preclinical development of our other product candidates;

- seek to discover and develop additional product candidates;

- expand and validate our own clinical-scale current good manufacturing practices, or cGMP, facilities;
- seek regulatory approvals for any of our product candidates that successfully complete clinical trials;
- maintain, expand, protect, and enforce our intellectual property portfolio;
- continue to incur costs associated with operating as a public company;
- acquire or in-license other product candidates and technologies;
- incur additional costs associated with operating as a public company, which will require us to add operational, financial and management information systems and personnel, including personnel to support our drug development and any future commercialization efforts; and
- increase our employee headcount and related expenses to support these activities.

We are also investing in building our capabilities in key areas of manufacturing sciences and operations, including development of our iPSC cell therapy platforms, product characterization, and process analytics from the time product candidates are in early research phases. Our investments also include scaled research solutions, scaled infrastructure, and novel technologies intended to improve efficiency, characterization, and scalability of manufacturing.

We anticipate that we will need to raise additional financing in the future to fund our operations, including funding for preclinical studies, clinical trials and the commercialization of any approved product candidates. We intend to use the proceeds from such financings to, among other uses, fund research and development of our product candidates and development programs, including our preclinical and clinical development of CNTY-101, and our other product candidates. Until such time, if ever, as we can generate significant product revenue, we expect to finance our operations with our existing cash and cash equivalents, investments, any future equity or debt financings, and upfront and milestone and royalty payments, if any, received under future licenses or collaborations. We may not be able to raise additional capital on terms acceptable to us or at all. If we are unable to raise additional capital when desired, our business, results of operations, and financial condition would be adversely affected. Because of the numerous risks and uncertainties associated with product development, we are unable to predict the timing or amount of increased expenses or when or if we will be able to achieve or maintain profitability.

License and collaboration agreements

Bristol-Myers Squibb

On January 7, 2022, we entered into a Research, Collaboration and License Agreement with Bristol-Myers Squibb Company to collaborate on the research, development and commercialization of induced pluripotent stem cell derived, engineered natural killer cell and/or gamma delta T cell programs for hematologic malignancies, initially focused on acute myeloid leukemia, and multiple myeloma, or the Collaboration Agreement.

Under the terms of the Collaboration Agreement, Bristol-Myers Squibb made a non-refundable, upfront cash payment of $100 million and purchased 2,160,760 shares of our common stock at a price per share of $23.14, for an aggregate purchase price of $50.0 million.

Following an internal corporate portfolio prioritization process, Bristol-Myers Squibb notified the Company on December 12, 2024 that it would be terminating the Collaboration Agreement in its entirety without cause. The termination was effective as of March 12, 2025.

Fujifilm Cellular Dynamics, Inc. (FCDI)

On September 18, 2018, we entered into a license agreement, or the Differentiation License, with FCDI. The Differentiation License, as amended, provides us with an exclusive license under certain patents and know-how related to human iPSC consisting of cells that are or are modifications of NK cells, T cells, dendritic cells and macrophages derived from human iPSC. In consideration for the Differentiation License, FCDI received 2,980,803 shares of common stock in connection with the January 2023 Strategic Reprioritization.

Also on September 18, 2018, we entered into the non-exclusive license, or the Reprogramming License, with FCDI. The Reprogramming License, as amended, provides us with a non-exclusive license under certain patents and know-how related to the reprogramming of human somatic cells to iPSCs and provide us access to iPSC lines for clinical use. Under the Reprogramming License, we are required to make certain developmental and regulatory milestone payments as well as royalty payments upon commercialization in the low single digits. In connection with the Reprogramming License, we entered into a collaboration agreement, or the FCDI Collaboration Agreement, with FCDI pursuant to which we agreed to fund research and development work at FCDI pursuant to a research plan.

On October 21, 2019, we entered into the FCDI Collaboration Agreement with FCDI, whereby FCDI provides certain services to us to develop and manufacture iPSCs and immune cells derived therefrom. Under the terms of the FCDI Collaboration Agreement, as amended, FCDI will provide services in accordance with the approved research plan and related research budget. The initial research plan covers the period from the date of execution of the FCDI Collaboration Agreement through March 31, 2022. On July 29, 2022, we amended the FCDI Collaboration Agreement to extend the term through September 30, 2025.

On January 7, 2022, we and FCDI entered into a letter agreement, which amends each of the FCDI agreements as further discussed in Note 14 to our consolidated financial statements. Pursuant to the Letter Agreement, and in consideration for amending the FCDI Agreements, we agreed to pay to FCDI (i) an upfront payment of $10 million, (ii) a percentage of any milestone payments received by us under the Collaboration Agreement, in respect of achievement of development or regulatory milestones specific to Japan, and (iii) a percentage of all royalties received by us under the Collaboration Agreement in respect of sales of products in Japan.

On September 22, 2023, we and FCDI entered into a worldwide license agreement whereby FCDI will grant non-exclusive licenses to us for certain patent rights and know-how related to cell differentiation and reprogramming for the development and commercialization of iPSC-derived therapies for the treatment of inflammatory and autoimmune diseases, or the Autoimmune License. Under the terms of the Autoimmune License, FCDI will be eligible to receive certain development and regulatory milestone payments as well as low single-digit royalties related to products developed in connection with the Autoimmune License. In addition, on September 22, 2023, we and FCDI amended the Reprogramming License, Differentiation License and the Collaboration Agreement to expand our existing license related to the development and commercialization of iPSC-derived cancer immunotherapeutic to also include inflammatory and autoimmune diseases.

During the three months ended March 31, 2025 and 2024, we made payments of $1.5 million and $2.7 million and incurred research and development expenses of $1.5 million and $2.7 million recorded within general and administrative expenses in its consolidated statements of operations and comprehensive income (loss), respectively.

From inception of the FCDI Collaboration Agreement through March 31, 2025, we incurred $44.3 million of expenses under the FCDI Collaboration Agreement.

Components of operating results

Collaboration revenue

We have not generated any revenue from product sales and do not expect to generate any revenue from the sale of products for the foreseeable future. Our revenues to date were generated through our collaboration, option and license agreement with Bristol-Myers Squibb, which was terminated, effective as of March 12, 2025. We recognize revenue over the expected performance period under this agreement. We expect that our revenue for the next several years will be derived primarily from any collaborations that we may enter into in the future. To date, we have not received any royalties under any of our existing collaboration agreements.

Operating expenses

Research and development

To date, research and development expenses have related primarily to discovery and development of our iPSC cell therapy platform technology and product candidates and acquired in-process research and development. Research and development expenses are recognized as incurred and payments made prior to the receipt of goods or services to be used in research and development are recorded as prepaid expenses until the goods or services are received.

Research and development expenses consist of personnel-related costs, including salaries, and benefits, stock compensation expense, external research and development expenses incurred under arrangements with third parties, laboratory supplies, costs to acquire and license technologies facility and other allocated expenses, including rent, depreciation, and allocated overhead costs, and other research and development expenses.

We deploy our employee and infrastructure resources across multiple research and development programs for developing our iPSC cell therapy platforms, identifying and developing product candidates, and establishing manufacturing capabilities. Due to the number of ongoing projects and our ability to use resources across several projects, the vast majority of our research and development costs are not recorded on a program-specific basis. These include costs for personnel, laboratory, and other indirect facility and operating costs.

Research and development activities account for a significant portion of our operating expenses. We anticipate that our research and development expenses will increase for the foreseeable future as we expand our research and development efforts including expanding the capabilities of our iPSC cell therapy platforms, identifying product candidates, progressing preclinical studies and clinical trials, including for our first clinical product candidate CNTY-101, seeking regulatory approval of our product candidates, and incurring costs to acquire and license technologies aligned with our goal of translating iPSCs to therapies. A change in the outcome of any of these variables could mean a significant change in the costs and timing associated with the development of our product candidates.

General and administrative

General and administrative expenses consist of personnel-related costs, including salaries, benefits, and non-cash stock-based compensation, for our employees in executive, legal, finance, human resources, information technology, and other administrative functions, legal fees, consulting fees, recruiting costs, and facility costs not otherwise included in research and development expenses. Legal fees include those related to corporate and patent matters.

Interest income

Interest income consists of interest earned on our cash, cash equivalents and investment balances.

Income taxes

The Company has evaluated the positive and negative evidence bearing upon its ability to realize its deferred tax assets, which primarily consist of net operating loss carryforwards. While the Company utilized a portion of its existing net operating loss carryforwards during tax year 2023, the Company has considered its history of cumulative net losses in the U.S., estimated future taxable income and prudent and feasible tax planning strategies and has concluded that it is more likely than not that the Company will not realize the benefits of its U.S. deferred tax assets. As a result, as of March 31, 2025, the Company has recorded a full valuation allowance against its net deferred tax assets, exclusive of its deferred tax liability on IPR&D in the U.S.

Results of operations

Comparison of the three months ended March 31, 2025 and 2024.

The following table summarizes our results of operations for the periods presented:

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024	Change
		(in thousands)	
Collaboration revenue	$ 109,164	$ 855	$ 108,309
Operating expenses:			
Research and development	26,580	23,421	3,159
General and administrative	8,408	8,743	(335)
Total operating expenses	34,988	32,164	2,824
Income (loss) from operations	74,176	(31,309)	105,485
Other income (expense):			
Interest income	2,422	3,237	(815)
Other income, net	(38)	11	(49)
Total other income (expense)	2,384	3,248	(864)
Loss before provision for income taxes	76,560	(28,061)	104,621
Provision for income taxes	—	(1)	1
Net income (loss)	$ 76,560	$ (28,062)	$ 104,622

Collaboration revenue

During the three months ended March 31, 2025 and 2024, we recognized revenue of $109.2 million and $0.9 million under our collaboration agreement with Bristol-Myers Squibb, respectively. See Note 7 to our consolidated financial statements for additional information. The Collaboration Agreement was terminated, effective as of March 12, 2025. As such, we recognized the remaining transaction price of $109.2 million as collaboration revenue during the three months ended March 31, 2025. There will be no future collaboration revenues recognized under this collaboration agreement.

Research and development expenses

The following table summarizes the components of our research and development expenses for the periods presented:

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024	Change
		(in thousands)	
Personnel and related costs	$ 9,984	$ 9,761	$ 223
Facility and other allocated costs	5,322	4,692	630
Research and laboratory	9,475	8,042	1,433
Other	1,799	926	873
Total research and development expense	$ 26,580	$ 23,421	$ 3,159

Research and development expenses were $26.6 million and $23.4 million for the three months ended March 31, 2025 and 2024, respectively. The increase of $3.2 million was primarily due to:

- an increase in facility and other allocated costs of $0.7 million due to an increase in rent expense of $0.7 million related to the lease acquired in the Clade acquisition.
- an increase of $1.6 million in research and laboratory due to increased clinical trial costs and advancing of preclinical programs.
- An increase in other from collaboration costs of $0.9 million due to manufacturing our CNTY-101 product candidate performed under our collaboration with FCDI.

General and administrative expenses

- General and administrative expenses were $8.4 million for the three months ended March 31, 2025 and $8.7 million for three months ended March 31, 2024. The decrease is primarily due to a decrease in salary and benefit expense.

Interest income

Interest income was $2.4 million and $3.2 million for the three months ended March 31, 2025 and 2024, respectively, which related to interest earned on our cash, cash equivalents, and investment balances.

Liquidity, capital resources, and capital requirements

Sources of liquidity

To date, we have funded our operations from the issuance and sale of our equity securities, debt financing and collaboration revenues. Since our inception, we have raised approximately $666 million in net proceeds from the sales of our equity securities. As of March 31, 2025, we had cash, and cash equivalents of $51.9 million and investments of $134.0 million. Based on our research and development plans, we believe our existing cash, cash equivalents and investments, will be sufficient to fund our operating expenses and capital expenditures requirements into the fourth quarter of 2026. Since our inception, we have incurred significant operating losses. We have not yet commercialized any products and we do not expect to generate revenue from sales of any product candidates for a number of years, if ever. We had an accumulated deficit of $705.8 million as of March 31, 2025.

In July 2022, we entered into a Sales Agreement, with Cowen and Company, LLC or Cowen, under which we may offer and sell, from time to time in our sole discretion, shares of our common stock, having an aggregate offering price of up to $150 million through Cowen as sales agent. In February of 2024, 4,084,502 shares of common stock were issued and sold pursuant to the Sales Agreement at a weighted-average price of $4.50 per share, resulting in approximately $18.4 million in gross proceeds.

In April 2024, we entered into a securities purchase agreement or, the Securities Purchase Agreement, with certain institutional accredited investors, or the Investors, pursuant to which we agreed to issue and sell to the Investors in a private placement an aggregate of 15,873,011 shares of common stock, or the Private Placement Shares, at a price of $3.78 per share, or the Private Placement. We received aggregate gross proceeds from the Private Placement of approximately $60 million, before deducting placement agent fees and offering expenses.

Future funding requirements

We expect to incur additional losses in the foreseeable future as we conduct and expand our research and development efforts, including conducting preclinical studies and clinical trials, developing new product candidates, establishing internal and external manufacturing capabilities, and funding our operations generally. We anticipate that we will need to raise additional financing in the future to fund our operations, including the commercialization of any approved product candidates. We are subject to the risks typically related to the development of new products, and we may encounter unforeseen expenses, difficulties, complications, delays, and other unknown factors that may adversely affect our business.

Our future capital requirements will depend on many factors, including:

- the scope, timing, progress, costs, and results of discovery, preclinical development, and clinical trials for our current and future product candidates;
- the number of clinical trials required for regulatory approval of our current and future product candidates;
- the costs, timing, and outcome of regulatory review of any of our current and future product candidates;
- the cost of manufacturing clinical and commercial supplies of our current and future product candidates;
- the costs and timing of future commercialization activities, including manufacturing, marketing, sales, and distribution, for any of our product candidates for which we receive marketing approval;
- the costs and timing of preparing, filing, and prosecuting patent applications, obtaining, maintaining, protecting, and enforcing our intellectual property rights, and defending any intellectual property-related claims, including any claims by third parties that we are infringing upon, misappropriating, or violating their intellectual property rights;
- our ability to maintain existing, and establish new, strategic collaborations, licensing, or other arrangements and the financial terms of any such agreements, including the timing and amount of any future milestone, royalty, or other payments due under any such agreement;
- the revenue, if any, received from commercial sales of our product candidates for which we receive marketing approval;
- expenses to attract, hire and retain, skilled personnel;
- costs of operating as a public company;
- our ability to establish a commercially viable pricing structure and obtain approval for coverage and adequate reimbursement from third-party and government payors;
- the effect of competing technological and market developments; and

- the extent to which we acquire or invest in businesses, products, and technologies.

Until and unless we can generate substantial product revenue, we expect to finance our cash needs through the proceeds from a combination of equity offerings and debt financings, and potentially through additional license and development agreements or strategic partnerships or collaborations with third parties. Financing may not be available in sufficient amounts or on reasonable terms. In addition, market volatility resulting from the effects of pandemics, inflationary pressures, disruptions of financial institutions, political unrest and hostilities, war or other factors could adversely impact our ability to access capital as and when needed. We have no commitments for any additional financing and will likely be required to raise such financing through the sale of additional securities, which, in the case of equity securities, may occur at prices lower than the offering price of our common stock. If we sell equity or equity-linked securities, our current stockholders, may be diluted, and the terms may include liquidation or other preferences that are senior to or otherwise adversely affect the rights of our stockholders. Moreover, if we issue debt, we may need to dedicate a substantial portion of our operating cash flow to paying principal and interest on such debt and we may need to comply with operating restrictions, such as limitations on incurring additional debt, which could impair our ability to acquire, sell or license intellectual property rights which could impede our ability to conduct our business.

Cash flows

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

	Three Months Ended March 31, 2025	Three months ended March 31, 2024
	(in thousands)	
Net cash provided by (used in):		
Operating activities	$ (34,623)	$ (30,248)
Investing activities	27,930	11,541
Financing activities	120	18,195
Net increase (decrease) in cash, cash equivalents, and restricted cash	$ (6,573)	$ (512)

Operating activities

Net cash used in operating activities was $34.6 million and $30.2 million for the three months ended March 31, 2025 and 2024, respectively. Net cash used in operating activities during the three months ended March 31, 2025 consisted primarily of our net income of $76.5 million and a decrease of $116.2 million in our net operating assets and liabilities, partially offset by non-cash charges of $5.0 million. The non-cash charges of $5.0 million consisted primarily of $3.2 million for depreciation expense, non-cash operating lease benefit of $0.5 million, a decrease in lease liability due to a lease termination, and stock-based compensation expense of $2.4 million, partially offset by amortization of marketable securities of $0.9 million and gain on contingent consideration liability of $0.2 million. The change in operating assets and liabilities was primarily due to a $1.2 million decrease in operating lease liability, a $109.2 million decrease in deferred revenue due to the termination of the Collaboration Agreement with Bristol-Myers Squibb, and a $6.5 million decrease in accrued expenses.

Net cash used in operating activities during the three months ended March 31, 2024 consisted primarily of our net loss of $28.0 million and a decrease of $9.0 million in our net operating assets and liabilities, partially offset by non-cash charges of $6.9 million. The non-cash charges of $6.8 million consisted primarily of $3.2 million for depreciation expense, non-cash operating lease of $1.5 million, and non-cash stock-based compensation expense of $3.2 million. This was partially offset by amortization of marketable securities of $1.1 million**.** The change in operating assets and liabilities was primarily due to the receipt of $11.7 million of tenant reimbursement, and a $1.7 million increase in accrued expenses and other liabilities, partially offset by a $2.0 million increase in deferred revenue.

Investing activities

Net cash provided by investing activities was $27.9 million and $11.5 million for the three months ended March 31, 2025 and 2024, respectively. Cash provided by investing activities for the three months ended March 31, 2025 consisted primarily of the sale of fixed maturity securities, available for sale of $43.3 million, which was partially offset by purchases of fixed maturity securities of $14.9 million.

Cash provided by investing activities for the three months ended March 31, 2024 consisted primarily of the sale of fixed maturity securities, available for sale of $47.2 million, which was partially offset by purchases of fixed maturity securities of $35.1 million and acquisition of property and equipment of $0.5 million.

Financing activities

Net cash provided by financing activities was $0.1 million and $18.2 million for the three months ended March 31, 2025 and 2024, respectively. Cash provided by financing activities consisted of $0.1 million from issuance of our common stock from equity incentive plans pursuant to the exercise of employee stock options.

Cash provided by financing activities consisted of $17.8 million from proceeds from our At-the-Market capital raise, and $0.4 million from issuance of our common stock from equity incentive plans pursuant to the exercise of employee stock options.

Contractual obligations and commitments

The following table summarizes our significant contractual obligations and commitments as of March 31, 2025:

	Payments Due by Period				
	1 Year	1 to 3 Years	3 to 5 Years	More than 5 Years	Total
					(in thousands)
Operating leases	$ 9,656	$ 19,023	$ 20,042	$ 33,460	$ 82,181

Payment obligations under our license, collaboration, and acquisition and merger agreements as of March 31, 2025 are contingent upon future events such as our achievement of pre-specified development, regulatory, and commercial milestones, or royalties on net product sales. As of March 31, 2025, the timing and likelihood of achieving the milestones and success payments and generating future product sales are uncertain and therefore, any related payments are not included in the table above. We also enter into agreements in the normal course of business for sponsored research, preclinical studies, contract manufacturing, and other services and products for operating purposes, which are generally cancelable upon written notice. These obligations and commitments are not included in the table above. See Note 8 “Commitments and contingencies” for additional information.

We have commitments under operating leases for certain facilities used in our operations.

JOBS Act accounting election

As a company with less than $1.235 billion in revenue during our last fiscal year, we qualify as an “emerging growth company” as defined in the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”). An emerging growth company may take advantage of specified reduced reporting requirements that are otherwise generally applicable to public companies. As such, we may take advantage of reduced disclosure and other requirements otherwise generally applicable to public companies, including:

- not being required to have our registered independent public accounting firm attest to management’s assessment of our internal control over financial reporting;
- presenting reduced disclosure about our executive compensation arrangements;

- an exemption from compliance with any requirement that the Public Company Accounting Oversight Board may adopt regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements;
- not being required to hold non-binding advisory votes on executive compensation or golden parachute arrangements; and,
- extended transition periods for complying with new or revised accounting standards.

The JOBS Act provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This provision allows an emerging growth company to delay the adoption of some accounting standards until those standards would otherwise apply to private companies. We have elected to use the extended transition period to enable us to comply with new or revised accounting standards and, therefore, we will adopt new or revised accounting standards at the time private companies adopt the new or revised accounting standard and will do so until such time that we either (i) irrevocably elect to "opt out" of such extended transition period or (ii) no longer qualify as an emerging growth company.

We will remain an emerging growth company until the earliest of (i) December 31, 2026, (ii) the last day of the fiscal year in which we have total annual gross revenue of at least $1.235 billion, (iii) the last day of the fiscal year in which we are deemed to be a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act, which would occur if the market value of our common stock held by non-affiliates exceeded $700.0 million as of the last business day of the second fiscal quarter of such year or (iv) the date on which we have issued more than $1.0 billion in non-convertible debt securities during the prior three-year period.

We are also a "smaller reporting company," meaning that the market value of our stock held by non-affiliates is less than $700.0 million and our annual revenue is less than $100.0 million during the most recently completed fiscal year. We may continue to be a smaller reporting company if either (i) the market value of our stock held by non-affiliates is less than $250.0 million or (ii) our annual revenue is less than $100.0 million during the most recently completed fiscal year and the market value of our stock held by non-affiliates is less than $700.0 million as of the last business day of the second fiscal quarter of such year. If we are a smaller reporting company at the time we cease to be an emerging growth company, we may continue to rely on exemptions from certain disclosure requirements that are available to smaller reporting companies. 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, similar to emerging growth companies, smaller reporting companies have reduced disclosure obligations regarding executive compensation.

Critical accounting policies and significant judgments and estimates

Refer to Note 2, Summary of Significant Accounting Policies, included in Part I, Item 1 of this Quarterly Report on Form 10-Q for a discussion of our critical accounting policies.

During the three months ended March 31, 2025, there were no material changes to our critical accounting policies from those described in our audited financial statements for the year ended December 31, 2024 included in our Annual Report on Form 10-K filed with the SEC on March 19, 2025, except as noted above.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate sensitivities. We do not currently have any material exposure to foreign currency fluctuations and do not engage in any hedging activities as part of our normal course of business.

Interest rate risk

We had cash, cash equivalents, and restricted cash of $54.6 million as of March 31, 2025, which consisted of bank deposits and money market funds. We also had investments of $134.0 million as of March 31, 2025. Our primary exposure to market risk is interest income sensitivity, which is affected by changes in the general level of U.S. interest rates. However, because of the low risk profile of the instruments in our portfolio, a change in market interest rates would not have a material impact on our financial condition and/or results of operations.

Banking Instability

Future disruptions of financial institutions where we bank or have credit arrangements, or disruptions of the financial services industry in general, could adversely affect our ability to access our cash and cash equivalents.

Effects of Inflation

Inflation generally affects us by increasing our cost of labor and laboratory consumables. We believe that inflation has not had a material effect on our financial statements.

Item 4. Controls and Procedures.

Disclosure Controls and Procedures

Our management, with the participation of our principal executive officer and principal financial officer, evaluated the effectiveness of our disclosures controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of March 31, 2025. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the company’s management, including its principal executive and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of March 31, 2025, our principal executive officer and principal financial officer concluded that, as of such date, 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, 2025, there were no changes in our internal control over financial reporting that occurred during the three months 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 become involved in legal proceedings arising in the ordinary course of our business. Our management believes that there are currently no claims or actions pending against us, the ultimate disposition of which would have a material adverse effect on our results of operations, financial condition or cash flows.

Item 1A. Risk Factors

There have been no material changes in our risk factors from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities

Recent Sales of Unregistered Securities

There were no unregistered sales of equity securities during the period covered by this report.

Repurchase of Shares of Company Equity Securities

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Rule 10b5-1 Trading Plans

During the quarter ended March 31, 2025, none of our directors or officers (as defined in Rule 16a-1 under the Exchange Act) adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement" (as those terms are defined in Item 408 of Regulation S-K).

Item 6. Exhibits.

Exhibit Number	
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
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
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
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
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
104	The cover page from Century Therapeutics, Inc. Quarterly Report on Form 10-Q for the quarter ended March 31, 2025, formatted in Inline XBRL and contained in Exhibit 101

* This certification is being furnished solely to accompany this Quarterly Report on Form 10-Q pursuant to 18 U.S.C. Section 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing of the registrant under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this Quarterly Report on Form 10-Q to be signed on its behalf by the undersigned thereunto duly authorized.

Century Therapeutics, Inc.

Date: May 15, 2025

By: /s/ Brent Pfeiffenberger, PharmD, MBA
Brent Pfeiffenberger, PharmD, MBA
Chief Executive Officer
(Principal Executive Officer)

Date: May 15, 2025

By: /s/ Morgan Conn, PhD
Morgan Conn
Chief Financial Officer
(Principal Financial Officer)

Exhibit 31.1

CERTIFICATION

I, Brent Pfeiffenberger, certify that:

1. I have reviewed this Quarterly Report of Century Therapeutics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2025

/s/ Brent Pfeiffenberger, PharmD, MBA
Brent Pfeiffenberger, PharmD, MBA
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION

I, Morgan Conn, certify that:

1. I have reviewed this Quarterly Report of Century Therapeutics, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 15, 2025

/s/ Morgan Conn

Morgan Conn
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

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

In connection with the Quarterly Report of Century Therapeutics, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to such officer's knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; 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 15, 2025

/s/ Brent Pfeiffenberger, PharmD, MBA
Brent Pfeiffenberger, PharmD, MBA
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

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

In connection with the Quarterly Report of Century Therapeutics, Inc. (the "Company") on Form 10-Q for the quarter ended March 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to such officer's knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; 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 15, 2025

/s/ Morgan Conn
Morgan Conn
Chief Financial Officer
(Principal Financial Officer)