

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 8-K

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

Date of Report (Date of earliest event reported): **April 11, 2025**

Alaunos Therapeutics, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

001-33038

(Commission File Number)

87-1475642

(IRS Employer
Identification No.)

2617 Bissonnet St

Suite 225

Houston, TX 77005

(Address of principal executive offices, including zip code)

(346) 355-4099

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	TCRT	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

Item 1.01 Entry into a Material Definitive Agreement***Subscription Agreement***

On April 11, 2025, Alaunos Therapeutics, Inc., a Delaware corporation (the “Company”) entered into a Subscription Agreement (the “Agreement”), by and among the Company and Watermill Asset Management set forth on Appendix A thereto, pursuant to which the Company agreed to issue and sell, in a private offering to the Purchaser shares of Series A-1 Convertible Preferred Stock of the Company, par value of \$0.001 per share (the “Series A-1 Preferred Stock”), at a price per share of \$1,000 (the “Preferred Offering”) for an aggregate purchase price of \$500,000. The Preferred Offering also relates to the offering of the shares of the Company's common stock (the “Common Stock”) issuable upon the conversion of or otherwise pursuant to the terms of the Series A-1 Preferred Stock). The Preferred Offering closed on April 11, 2025.

Series A-1 Preferred Stock

On April 11, 2025, the Company filed with the Secretary of State of the State of Delaware the Certificate of Designation of Series A-1 Convertible Preferred Stock of the Company attached hereto as Exhibit 3.1 (the “Certificate of Designation”) and designated 1,000 shares of Series A-1 Preferred Stock.

Under the terms of the Certificate of Designation, each share of Series A-1 Preferred Stock has a stated value of \$1,000 per share and, when issued, the Series A-1 Preferred Stock will be fully paid and non-assessable. The holders of Series A-1 Preferred Stock will be entitled to receive dividends at a rate of 10% per annum, payable in shares of Series A-1 Preferred Stock. In addition, the holders of Series A-1 Preferred Stock, to the extent any other dividends or distributions are declared for holders of the Common Stock, the holders of Series A-1 Preferred Stock will be entitled to participate in such dividends or distributions on an as-converted basis. The holders of Series A-1 Preferred Stock are entitled to vote alongside holders of Common Stock on an as-converted basis on a 1:1 ratio as Common Stock, voting together as a single class, with respect to any and all matters presented to the stockholders of the Company for their action. Each holder of Series A-1 Preferred Stock shall be entitled to a number of votes equal to the number of shares of Common Stock into which such holder's shares of Series A-1 Preferred Stock are convertible pursuant to the Certificate of Designation as of the record date of such vote or written consent (or as otherwise required by applicable law).

Each holder of Series A-1 Preferred Stock has the right to convert all or any portion of the outstanding Series A-1 Preferred Stock held by such holder along with the aggregate accrued or accumulated and unpaid dividends thereon, at any time at such holder's option, into shares of Common Stock in accordance with the terms of the Certificate of Designation. The initial fixed “Conversion Price” shall be \$2.76 per share for Series A-1 Preferred Stock, subject to proportional adjustments in accordance with the Certificate of Designation.

The foregoing description of the Purchase Agreement and Series A-1 Preferred Stock does not purport to be complete and is qualified in its entirety by reference to the full text of the Purchase Agreement, a copy of which is filed as Exhibit 10.1 hereto and incorporated herein by reference, and the Certificate of Designation, a copy of which are filed as Exhibit 3.1 hereto and incorporated herein by reference.

Item 3.02. Unregistered Sales of Equity Securities.

The information set forth above in Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference in its entirety. The securities offered in the Preferred Offering were offered and sold in a private placement under Section 4(a)(2) of the Securities Act of 1933, as amended (the “Act”), and/or Rule 506(b) of Regulation D promulgated thereunder and have not been registered under the Act or applicable state securities laws. The securities may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. Neither this Current Report on Form 8-K nor the exhibits attached hereto represent an offer to sell or the solicitation of an offer to buy the securities described herein.

Item 3.03 Material Modification to Rights of Security Holders.

The information set forth in Item 1.01 related to the Certificate of Designation and Exhibit 3.1 are incorporated by reference herein.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

The information set forth in Item 1.01 related to the Certificate of Designation and Exhibit 3.1 are incorporated by reference herein.

Item 9.01. Financial Statements and Exhibits.

Exhibit	Description
3.1	Certificate of Designation of Series A-1 Convertible Preferred Stock of Alaunos Therapeutics, Inc.
10.1	Subscription Agreement, dated April 11, by and between Alaunos Therapeutics, Inc. and Watermill Asset Management
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

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

Dated: April 14, 2025

Alaunos Therapeutics, Inc.

By:	<u>/s/ Melinda Lackey</u>
Name:	Melinda Lackey
Title:	Legal and Administration

Delaware

The First State

***I, CHARUNI PATIBANDA-SANCHEZ, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO
HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF
DESIGNATION OF "ALAUNOS THERAPEUTICS, INC.", FILED IN THIS OFFICE ON THE ELEVENTH DAY
OF APRIL, A.D. 2025, AT 12:51 O'CLOCK P.M.***



Charuni Patibanda-Sanchez, Secretary of State

3970466 8100 Authentication: 203420725

SR# 20251526377 Date: 04-11-25

You may verify this certificate online at corp.delaware.gov/authver.shtml

State of Delaware Secretary of State Division of Corporations
Delivered 12:51 PM 04/11/2025 FILED 12:51PM 04/11/2025
SR 20251526377 - FileNumber 3970466

CERTIFICATE OF DESIGNATION OF SERIES A-1 CONVERTIBLE PREFERRED STOCK OF ALAUNOS THERAPEUTICS, INC.

Pursuant to Section 151 of the General Corporation Law of the State of Delaware, Alaunos Therapeutics, Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware (the "**Corporation**"), in accordance with the provisions of Section 103 thereof, does hereby submit the following:

WHEREAS, the Third Amended and Restated Certificate of Incorporation of the Corporation (the "**Certificate of Incorporation**") authorizes the issuance of up to 30,000,000 shares of preferred stock, par value \$0.001 per share, of the Corporation ("**Preferred Stock**") in one or more series, and expressly authorizes the Board of Directors of the Corporation (the "**Board**"), subject to limitations prescribed by law, to provide, out of the unissued shares of Preferred Stock, for series of Preferred Stock, and, with respect to each such series, to establish and fix the number of shares to be included in any series of Preferred Stock and the designation, rights, preferences, powers, restrictions, and limitations of the shares of such series; and

WHEREAS it is the desire of the Board to establish and fix the number of shares to be included in a new series of Preferred Stock and the designation, rights, preferences, and limitations of the shares of such new series.

NOW, THEREFORE, BE IT RESOLVED, that the Board does hereby provide for the issue of a series of Preferred Stock and does hereby in this Certificate of Designation (the "**Certificate of Designation**") establish and fix and herein state and express the designation, rights, preferences, powers, restrictions, and limitations of such series of Preferred Stock as follows:

1. Designation. There shall be a series of Preferred Stock that shall be designated as "Series A-1 Convertible Preferred Stock" (the "**Series A Preferred Stock**") and the amount of shares to be issued of such series shall be up to 1,000. Such number of shares may be increased or decreased by resolution of the Board; provided, that no decrease shall reduce the number of shares of Series A Preferred Stock to a number less than that of the Shares then outstanding. The rights, preferences, powers, restrictions, and limitations of the Series A Preferred Stock shall be as set forth herein.

2. Defined Terms. For purposes hereof, the following terms shall have the following meanings:

"**Affiliate**" has the meaning set forth in Rule 405 promulgated pursuant to the Securities Act.

"**Attribution Parties**" means, collectively, the following Persons and entities:

(i) any investment vehicle, including, any funds, feeder funds or managed accounts, currently, or from time to time after the Date of Issuance, directly or indirectly managed or advised by the holder's investment manager or any of its affiliates or principals, (ii) any direct or indirect affiliates of the holder or any of the foregoing, (iii) any Person acting or who could be deemed to be acting as a "group" (within the meaning of Section 13(d)(3) of the Securities Exchange

Act of 1934, as amended (the "**Exchange Act**") together with the holder or any of the foregoing and (iv) any other Persons whose beneficial ownership of the Common Stock would or could be aggregated with the holder's and the other Attribution Parties for purposes of Section 13(d) of the Exchange Act. For clarity, the purpose of the foregoing is to subject collectively the holder and all other Attribution Parties to the Maximum Percentage.

"Board" has the meaning set forth in the Recitals.

"Certificate of Designation" has the meaning set forth in the Recitals.

"Certificate of Incorporation" has the meaning set forth in the Recitals.

"Change of Control" means (a) any sale, lease, or transfer or series of sales, leases, or transfers of all or substantially all of the assets of the Corporation; (b) any sale, transfer, or issuance of capital stock by the Corporation that results in the inability of the holders of Common Stock (or other voting stock of the Corporation) immediately prior to such sale, transfer, or issuance to designate or elect a majority of the board of directors (or its equivalent) of the Corporation; or (c) any merger, consolidation, recapitalization, or reorganization of the Corporation with or into another Person (whether or not the Corporation is the surviving corporation) that results in the inability of the holders of Common Stock (or other voting stock of the Corporation) immediately prior to such merger, consolidation, recapitalization, or reorganization to designate or elect a majority of the board of directors (or its equivalent) of the resulting entity or its parent company.

"Common Stock" means the common stock, par value \$0.001 per share, of the Corporation.

"Convertible Securities" means any securities (directly or indirectly) convertible into or exchangeable for Common Stock, but excluding Options. **"Corporation"** has the meaning set forth in the Preamble. **"Conversion Price"** has the meaning set forth in Section 8.1(a).

"Conversion Shares" means the shares of Common Stock or other capital stock of the Corporation then issuable upon conversion of the Series A Preferred Stock in accordance with the terms of Section 8.

"Daily VWAP" means, for any VWAP Trading Day, the per share volume weighted average price of the Common Stock on The Nasdaq Capital Market (or the principal, in terms of volume, Eligible Exchange on which the Common Stock is listed for trading) as displayed under the heading "Bloomberg VWAP" on Bloomberg page "PROP <EQUITY> YAP" (or, if such page is not available, its equivalent successor page) in respect of the period from the scheduled open of trading until the scheduled close of trading of the primary trading session on such VWAP Trading Day (or, if such volume-weighted average price is unavailable, the market value of one share of Common Stock on such VWAP Trading Day, determined, using a volume-weighted average price method, by a nationally recognized independent investment banking firm selected by the Corporation). The Daily VWAP will be

determined without regard to after-hours trading or any other trading outside of the regular trading session.

"Date of Issuance" means, for any Share of Series A Preferred Stock, the date on which the Corporation initially issues such Share (without regard to any subsequent transfer of such Share or reissuance of the certificate(s) representing such Share).

"Deemed Liquidation" has the meaning set forth in Section 5.1(b)

"Dividend Payment Date" has the meaning set forth in Section 4.1.

"Eligible Exchange" means any of The New York Stock Exchange, The NYSE American LLC, The Nasdaq Stock Market, The Nasdaq Capital Market, The Nasdaq Global Market or The Nasdaq Global Select Market (or any of their respective successors).

"Junior Securities" means, collectively, the Common Stock and any other class of securities that is specifically designated as junior to the Series A Preferred Stock.

"Liquidation" has the meaning set forth in Section 5.1(a).

"Liquidation Value" means, with respect to any Share on any given date, \$1,000 (as adjusted for any stock splits, stock dividends, recapitalizations, or similar transaction with respect to the Series A Preferred Stock).

"Market Disruption Event" means, with respect to any date, the occurrence or existence, during the one-half hour period ending at the scheduled close of trading on such date on the principal, in terms of volume, Eligible Exchange on which the Common Stock is listed for trading or trades, of any material suspension or limitation imposed on trading (by reason of movements in price exceeding limits permitted by the relevant exchange or otherwise) in the Common Stock or in any options contracts or futures contracts relating to the Common Stock.

"Minimum Price" has the meaning set forth in Nasdaq Rule 5635(d)(1)(A).

"Options" means any warrants or other rights or options to subscribe for or purchase Common Stock or Convertible Securities.

"Person" means an individual, corporation, partnership, joint venture, limited liability company, governmental authority, unincorporated organization, trust, association, or other entity.

"Preferred Stock" has the meaning set forth in the Recitals.

"Securities Act" means the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations thereunder, which shall be in effect at the time.

"Share" means a share of Series A Preferred Stock.

"Subsidiary" means, with respect to any Person, any other Person of which a majority of the outstanding shares or other equity interests having the power to vote for directors or comparable managers are owned, directly or indirectly, by the first Person.

"Subscription Date" means the date on which a Person enters into a binding agreement with the Corporation to purchase one or more Shares.

"Trading Day" means any day on which (A) trading in the Common Stock generally occurs on the principal U.S. national or regional securities exchange on which the Common Stock is then listed or, if the Common Stock is not then listed on a U.S. national or regional securities exchange, on the principal, in terms of volume, Eligible Exchange on which the Common Stock is listed for trading; and (B) there is no Market Disruption Event, provided that the holder, by written notice to the Corporation, may waive any such Market Disruption Event. If the Common Stock is not so listed or traded, then "Trading Day" means a business day.

"Transfer Agent" means Equiniti Trust Company or any successor thereto, or any substitute transfer agent appointed by the Corporation.

3. Rank. With respect to payment of dividends and distribution of assets upon liquidation, dissolution, or winding up of the Corporation, whether voluntary or involuntary, all Shares of the Series A Preferred Stock shall rank senior to all Junior Securities.

4. Dividends.

4.1 Accrual and Payment of Dividends. From and after the Date of Issuance of any Share, cumulative dividends on such Share shall accrue, whether or not declared by the Board and whether or not there are funds legally available for the payment of dividends, on a daily basis in arrears at the rate of 10% per annum on the sum of the Liquidation Value thereof plus all unpaid accrued and accumulated dividends thereon. All accrued dividends on any Share shall be paid in Shares of Series A Preferred Stock or upon a liquidation of the Series A Preferred Stock in accordance with the provisions of Section 5; provided, that to the extent not paid on the last day of March, June, September, and December of each calendar year (each such date, a **"Dividend Payment Date"**), all accrued dividends on any Share shall accumulate and compound on the applicable Dividend Payment Date whether or not declared by the Board and shall remain accumulated, compounding dividends until paid pursuant hereto or converted pursuant to Section 8. All accrued and accumulated dividends on the Shares shall be prior and in preference to any dividend on any Junior Securities and shall be fully declared and paid before any dividends are declared and paid, or any other distributions or redemptions are made, on any Junior Securities, other than to (a) declare or pay any dividend or distribution payable on the Common Stock in shares of Common Stock or (b) repurchase Common Stock held by employees or consultants of the Corporation upon termination of their employment or services pursuant to agreements providing for such repurchase.

4.2 Participating Dividends. Subject to Section 4.1, in addition to the dividends accruing on the Series A Preferred Stock pursuant to Section 4.1 hereof, if the Corporation declares or pays a dividend or distribution on the Common Stock, whether such dividend or

distribution is payable in cash, securities, or other property, including the purchase or redemption by the Corporation or any of its Subsidiaries of shares of Common Stock for cash, securities, or property, but excluding (i) any dividend or distribution payable on the Common Stock in shares of Common Stock and (ii) any repurchases of Common Stock held by employees or consultants of the Corporation upon termination of their employment or services pursuant to agreements providing for such repurchase, the Corporation shall simultaneously declare and pay a dividend on the Series A Preferred Stock on a pro rata basis with the Common Stock determined on an as-converted basis assuming all Shares had been converted pursuant to Section 8 as of immediately prior to the record date of the applicable dividend (or if no record date is fixed, the date as of which the record holders of Common Stock entitled to such dividends are to be determined).

4.3Partial Dividend Payments. Except as otherwise provided herein, if at any time the Corporation pays less than the total amount of dividends then accrued and accumulated with respect to the Series A Preferred Stock, such payment shall be distributed pro rata among the holders thereof based upon the aggregate accrued and accumulated but unpaid dividends on the Shares held by each such holder.

5. Liquidation.

5.1 Liquidation: Deemed Liquidation.

(a) Liquidation. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation (collectively with a Deemed Liquidation, a "**Liquidation**"), the holders of Shares of Series A Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders, before any payment shall be made to the holders of Junior Securities by reason of their ownership thereof, a number of Shares of Series A Preferred Stock equal to the aggregate Liquidation Value of all Shares held by such holder, plus all unpaid accrued and accumulated dividends on all such Shares (whether or not declared).

(b) Deemed Liquidation. The occurrence of a Change of Control (such event, a "**Deemed Liquidation**") shall be deemed a Liquidation for purposes of this Section 5. Upon the consummation of any such Deemed Liquidation, the holders of the Series A Preferred Stock shall, in consideration for cancellation of their Shares, be entitled to the same rights such holders are entitled to under this Section 5 upon the occurrence of a Liquidation, including the right to receive the full preferential payment from the Corporation of the amounts payable with respect to the Series A Preferred Stock under Section 5.1(a) hereof. Notwithstanding the foregoing, nothing in this Section 5.1(b) shall limit in any respect the right of any holder of Series A Preferred Stock to elect the benefits of either this Section 5 or Section 8.5(b) in connection with any Change of Control.

5.2Insufficient Shares of Common Stock. So long as any of the Shares remain outstanding, the Corporation shall at all times have no less than a number of shares of authorized but unissued Common Stock equal to the number of Conversion Shares plus all remaining unpaid dividends payable on the Shares (the "**Required Reserve Amount**"). If at

any time the number of shares of Common Stock authorized and reserved for issuance is not sufficient to meet the Required Reserve Amount, the Corporation will limit any conversion of the Shares by a holder of Shares on a proportional basis with all holders of Shares outstanding (regardless of whether any other shares are convertible at such time) to the greatest amount that may be converted until taking corporate action necessary to authorize and reserve a sufficient number of shares of Common Stock, including, without limitation, calling a special meeting of stockholders to authorize additional shares of Common Stock to meet the Corporation's obligations pursuant to this Certificate of Designation and obtaining stockholder approval of an increase in such authorized number of shares of Common Stock, so that the number of authorized shares of Common Stock is sufficient to meet the Required Reserve Amount.

5.3 Insufficient Assets. If upon any Liquidation (or Deemed Liquidation) the remaining assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of the Shares of Series A Preferred Stock the full preferential amount to which they are entitled under Section 5.1, (a) the holders of the Shares shall share ratably in any distribution of the remaining assets and funds of the Corporation in proportion to the respective full preferential amounts which would otherwise be payable in respect of the Series A Preferred Stock in the aggregate upon such Liquidation (or Deemed Liquidation) if all amounts payable on or with respect to such Shares were paid in full, and (b) the Corporation shall not make or agree to make any payments to the holders of Junior Securities.

5.4 Notice.

(a) Notice Requirement. In the event of any Liquidation (or Deemed Liquidation), the Corporation shall, within ten (10) days of the date the Board approves such action, or no later than twenty (20) days of any stockholders' meeting called to approve such action, or within twenty (20) days of the commencement of any involuntary proceeding, whichever is earlier, give each holder of Shares of Series A Preferred Stock written notice of the proposed action. Such written notice shall describe the material terms and conditions of such proposed action, including a description of the stock, cash, and property to be received by the holders of Shares upon consummation of the proposed action and the date of delivery thereof. If any material change in the facts set forth in the initial notice shall occur, the Corporation shall promptly give written notice to each holder of Shares of such material change.

(b) Notice Waiting Period. The Corporation shall not consummate any voluntary Liquidation (or Deemed Liquidation) of the Corporation before the expiration of thirty (30) days after the mailing of the initial notice or ten (10) days after the mailing of any subsequent written notice, whichever is later; *provided*, that any such period may be shortened upon the written consent of the holders of all the outstanding Shares.

6. Voting.

6.1 Voting Generally. Each holder of outstanding Shares of Series A Preferred Stock shall be entitled to vote on an as-converted basis on a 1:1 ratio as Common Stock, with holders of outstanding shares of Common Stock, voting together as a single class, with respect to any

and all matters presented to the stockholders of the Corporation for their action or consideration (whether at a meeting of stockholders of the Corporation, by written action of stockholders in lieu of a meeting or otherwise), and not as a separate class except as specifically provided herein or as otherwise required by law: provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Certificate of Designation. In any such vote, each Share of Series A Preferred Stock shall be entitled to a number of votes equal to the number of shares of Common Stock into which the Share is convertible pursuant to Section 8 herein as of the record date for such vote or written consent or, if there is no specified record date, as of the date of such vote or written consent. Each holder of outstanding Shares of Series A Preferred Stock, on an as-converted basis, shall be entitled to notice of all stockholder meetings (or requests for written consent) in accordance with the Corporation's bylaws.

7. Reserved.

8. Conversion.

8.1 Right to Convert; Automatic Conversion.

(a) Right to Convert/Optional Conversion. Subject to the provisions of this Section 8, at any time and from time to time on or after the Date of issuance, any holder of Series A Preferred Stock shall have the right by written election to the Corporation to convert all or any portion of the outstanding Shares of Series A Preferred Stock (including any fraction of a Share) held by such holder along with the aggregate accrued or accumulated and unpaid dividends thereon into an aggregate number of shares of Common Stock (including any fraction of a share) as is determined by (i) multiplying the number of Shares (including any fraction of a Share) to be converted by the Liquidation Value thereof, (ii) adding to the result all accrued and accumulated and unpaid dividends on such Shares to be converted, and then (ii) dividing the result by the Conversion Price in effect immediately prior to such conversion. The initial conversion price per Share (the "**Conversion Price**") shall be \$2.76.

(b) Automatic Conversion. Subject to the provisions of this Section 8, each share of Series A Preferred Stock shall automatically convert into fully paid and non assessable Shares, at the Conversion Price, without any action required by the holder of the Series A Preferred Stock, upon the occurrence of a Change of Control.

8.2 Procedures for Conversion; Effect of Conversion.

(a) Procedures for Holder Conversion. In order to effectuate a conversion of Shares of Series A Preferred Stock pursuant to Section 8.1(a), a holder shall submit a written election to the Corporation that such holder elects to convert Shares, and the number of Shares elected to be converted. The Corporation shall cause the Conversion Shares to be transmitted by the Transfer Agent to the holder by crediting the account of the holder's or its designee's balance account with The Depository Trust Company through its Deposit or Withdrawal at Custodian system ("DWAC") if the Transfer Agent is then a participant in such system and either (A) there is an effective registration

statement permitting the issuance of the Conversion Shares to or resale of the shares of the Conversion Shares by the holder or (B) the Conversion Shares are eligible for resale by the holder without volume or manner-of-sale limitations pursuant to Rule 144, and otherwise by delivery of a book-entry statement, registered in the Corporation's share register in the name of the holder or its designee, for the number of Conversion Shares to which the holder is entitled pursuant to such conversion to the address specified by the holder in such written election of conversion by the date that is two (2) Trading Days after the delivery to the Corporation of such election. Upon delivery of such election, the holder shall be deemed for all corporate purposes to have become the holder of record of the Conversion Shares, irrespective of the date of delivery of the Conversion Shares. All shares of capital stock issued hereunder by the Corporation shall be duly and validly issued, fully paid, and nonassessable, free and clear of all taxes, liens, charges, and encumbrances with respect to the issuance thereof.

(b) Procedures for Automatic Conversion. Upon satisfaction of the conditions set forth in Section 8.1(b), all outstanding Shares of Series A Preferred Stock shall be converted to the number of shares of Common Stock calculated pursuant to Section 8.1(b) without any further action by the relevant holder of such Shares or the Corporation. As promptly as practicable after satisfaction of the conditions set forth in Section 8.1(b) (but in any event within two (2) Trading Days thereafter), the Corporation shall send each holder of Shares of Series A Preferred Stock written notice of such event. The Corporation shall cause the Conversion Shares to be transmitted by the Transfer Agent to the holder by crediting the account of the holder's or its designee's balance account with The Depository Trust Company through its Deposit or Withdrawal at Custodian system ("DWAC") if the Transfer Agent is then a participant in such system and either (A) there is an effective registration statement permitting the issuance of the Conversion Shares to or resale of the shares of the Conversion Shares by the holder or

(B) the Conversion Shares are eligible for resale by the holder without volume or manner-of-sale limitations pursuant to Rule 144, and otherwise by delivery of a book entry statement, registered in the Corporation's share register in the name of the holder or its designee, for the number of Conversion Shares to which the holder is entitled pursuant to such conversion to the address in the Corporation's share register by the date that is two (2) Trading Days after the delivery of the written notice of the event leading to such conversion. Upon delivery of such written notice, the holder shall be deemed for all corporate purposes to have become the holder of record of the Conversion Shares, irrespective of the date of delivery of the Conversion Shares. All shares of Common Stock issued hereunder by the Corporation shall be duly and validly issued, fully paid, and nonassessable, free and clear of all taxes, liens, charges, and encumbrances with respect to the issuance thereof.

(c) Effect of Conversion. All Shares of Series A Preferred Stock converted as provided in this Section 8.2 shall no longer be deemed outstanding as of the effective time of the applicable conversion and all rights with respect to such Shares shall immediately cease and terminate as of such time, other than the right of the holder to receive shares of Common Stock in exchange therefor.

(d) Beneficial Ownership Limitation. Notwithstanding anything to the contrary contained herein, the Corporation shall not effect the conversion of any Shares

of Series A Preferred Stock, or otherwise issue shares of Common Stock on account of such Shares of Series A Preferred Stock, and the holder shall not have the right to convert any portion of such Shares of Series A Preferred Stock, pursuant to the terms and conditions of this Certificate of Designation and any such conversion or issuance shall be null and void and treated as if never made, to the extent that after giving effect to such conversion or issuance, the holder together with the other Attribution Parties collectively would beneficially own in the aggregate in excess of 4.99% (the "**Maximum Percentage**") of the number of shares of Common Stock outstanding immediately after giving effect to such conversion or issuance. For purposes of the foregoing sentence, the aggregate number of shares of Common Stock beneficially owned by the holder and the other Attribution Parties shall include the number of shares of Common Stock held by the holder and all other Attribution Parties plus the number of shares of Common Stock issuable upon conversion of, or otherwise on account of, the Shares of Series A Preferred Stock with respect to which the determination of such sentence is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (A) conversion of the remaining, unconverted Shares of Series A Preferred Stock beneficially owned by the holder or any of the other Attribution Parties and (B) exercise or conversion of the unexercised or unconverted portion of any other securities of the Corporation (including, without limitation, any convertible notes or convertible preferred stock or warrants) beneficially owned by the holder or any other Attribution Party subject to a limitation on conversion or exercise analogous to the limitation contained in this Section. For purposes of this Section, beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act. For purposes of this Certificate of Designation, in determining the number of outstanding shares of Common Stock the holder may acquire in connection with its ownership of Shares of Series A Preferred Stock without exceeding the Maximum Percentage, the holder may rely on the number of outstanding shares of Common Stock as reflected in (x) the Corporation's most recent Annual Report on Form 10-K, Quarterly Report on Form 10-Q, Current Report on Form 8-K or other public filing with the Securities and Exchange Commission, as the case may be, (y) a more recent public announcement by the Corporation or (z) any other written notice by the Corporation or the transfer agent setting forth the number of shares of Common Stock outstanding (the "**Reported Outstanding Share Number**"). If the Corporation receives a notice from a holder related to the conversion of the Shares of Series A Preferred Stock or any issuance of shares of Common Stock on account of such Shares of Series A Preferred Stock at a time when the actual number of outstanding shares of Common Stock is less than the Reported Outstanding Share Number, the Corporation shall promptly notify the holder in writing of the number of shares of Common Stock then outstanding and, to the extent that such conversion or issuance of shares of Common Stock would otherwise cause the holder's beneficial ownership, as determined pursuant to this Section, to exceed the Maximum Percentage, the holder must notify the Corporation of a reduced number of shares of Common Stock to be issued pursuant to such notice. For any reason at any time, upon the written or oral request of the holder, the Corporation shall within one(!) Trading Day confirm in writing or by electronic mail to the holder the number of shares

of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Corporation, including the Series A Preferred Stock, by the holder and any other Attribution Party since the date as of which the Reported Outstanding Share Number was reported. In the event that the issuance of shares of Common Stock to the holder upon conversion of, or otherwise on account, the Shares of Series A Preferred Stock results in the holder and the other Attribution Parties being deemed to beneficially own, in the aggregate, more than the Maximum Percentage of the number of outstanding shares of Common Stock (as determined under Section 13(d) of the Exchange Act), the number of shares so issued by which the holder's and the other Attribution Parties' aggregate beneficial ownership exceeds the Maximum Percentage (the "**Excess Shares**") shall be deemed null and void and shall be cancelled ab initio, and the holder shall not have the power to vote or to transfer the Excess Shares. Upon delivery of a written notice to the Corporation, a holder may from time to time increase or decrease the Maximum Percentage to any other percentage not in excess of 9.99% and not less than 4.99% as specified in such notice; provided that (i) any such increase in the Maximum Percentage will not be effective until the sixty-first (61st) day after such notice is delivered to the Corporation and (ii) any such increase or decrease will apply only to the holder and the other Attribution Parties and not to any other holder of Shares of Series A Preferred Stock that is not an Attribution Party of the holder. For purposes of clarity, the shares of Common Stock issuable pursuant to the terms of this Certificate of Designation in excess of the Maximum Percentage shall not be deemed to be beneficially owned by the holder for any purpose including for purposes of Section 13(d) or Rule 16a-1(a)(1) of the Exchange Act. No prior inability to convert the shares of Preferred Stock or receive shares on account of such shares of Series A Preferred Stock pursuant to this paragraph shall have any effect on the applicability of the provisions of this paragraph with respect to any subsequent determination of convertibility. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section to the extent necessary to correct this paragraph or any portion of this paragraph which may be defective or inconsistent with the intended beneficial ownership limitation contained in this Section or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitation contained in this paragraph may not be waived and shall apply to a successor holder of any Shares of Series A Preferred Stock.

8.3 Reserved.

8.4No Charge or Payment. The issuance of certificates for shares of Common Stock upon conversion of Shares of Series A Preferred Stock pursuant to Section 8.1 shall be made without payment of additional consideration by, or other charge, cost, or tax to, the holder in respect thereof.

8.5Adjustment to Conversion Price and Number of Conversion Shares. In order to prevent dilution of the conversion rights granted under this Section 8, the Conversion Price and the number of Conversion Shares issuable on conversion of the Shares of Series A Preferred Stock shall be subject to adjustment from time to time as provided in this Section 8.5.

(a) Adjustment to Conversion Price and Conversion Shares upon Dividend, Subdivision, or Combination of Common Stock. If the Corporation shall, at any time or from time to time after the Date of Issuance, (i) pay a dividend or make any other distribution upon the Common Stock or any other capital stock of the Corporation payable in shares of Common Stock or in Options or Convertible Securities (other than dividends payable on the Shares pursuant to Section 4.1(a)), or (ii) subdivide (by any stock split, recapitalization, or otherwise) its outstanding shares of Common Stock into a greater number of shares, the Conversion Price in effect immediately prior to any such dividend, distribution, or subdivision shall be proportionately reduced and the number of Conversion Shares issuable upon conversion of the Series A Preferred Stock shall be proportionately increased. If the Corporation at any time combines (by combination, reverse stock split, or otherwise) its outstanding shares of Common Stock into a smaller number of shares, the Conversion Price in effect immediately prior to such combination shall be proportionately increased and the number of Conversion Shares issuable upon conversion of the Series A Preferred Stock shall be proportionately decreased. Any adjustment under this Section 8.5(a) shall become effective at the close of business on the date the dividend, subdivision, or combination becomes effective.

(b) Adjustment to Conversion Price and Conversion Shares upon Reorganization, Reclassification, Consolidation, or Merger. In the event of any (i) capital reorganization of the Corporation, (ii) reclassification of the stock of the Corporation (other than a change in par value or from par value to no par value or from no par value to par value or as a result of a stock dividend or subdivision, split-up or combination of shares), (iii) consolidation or merger of the Corporation with or into another Person, (iv) sale of all or substantially all of the Corporation's assets to another Person or (v) other similar transaction (other than any such transaction covered by Section 8.5(a)), in each case which entitles the holders of Common Stock to receive (either directly or upon subsequent liquidation) stock, securities, or assets with respect to or in exchange for Common Stock, each Share of Series A Preferred Stock shall, immediately after such reorganization, reclassification, consolidation, merger, sale, or similar transaction, remain outstanding and shall thereafter, in lieu of or in addition to (as the case may be) the number of Conversion Shares then convertible for such Share, be exercisable for the kind and number of shares of stock or other securities or assets of the Corporation or of the successor Person resulting from such transaction to which such Share would have been entitled upon such reorganization, reclassification, consolidation, merger, sale, or similar transaction if the Share had been converted in full immediately prior to the time of such reorganization, reclassification, consolidation, merger, sale, or similar transaction and acquired the applicable number of Conversion Shares then issuable hereunder as a result of such conversion (without taking into account any limitations or restrictions on the convertibility of such Share, if any); and, in such case, appropriate adjustment shall be made with respect to such holder's rights under this Certificate of Designation to ensure that the provisions of this Section 8 hereof shall thereafter be applicable, as nearly as possible, to the Series A Preferred Stock in relation to any shares of stock, securities, or assets thereafter acquirable upon conversion of Series A Preferred Stock (including, in the case of any consolidation, merger, sale, or similar transaction in which the successor or purchasing Person is other than the Corporation, an immediate adjustment in the Conversion Price to the value per

share for the Common Stock reflected by the terms of such consolidation, merger, sale, or similar transaction, and a corresponding immediate adjustment to the number of Conversion Shares acquirable upon conversion of the Series A Preferred Stock without regard to any limitations or restrictions on conversion, if the value so reflected is less than the Conversion Price in effect immediately prior to such consolidation, merger, sale, or similar transaction). The provisions of this Section 8.5(b) shall similarly apply to successive reorganizations, reclassifications, consolidations, mergers, sales, or similar transactions. The Corporation shall not effect any such reorganization, reclassification, consolidation, merger, sale, or similar transaction unless, prior to the consummation thereof, the successor Person (if other than the Corporation) resulting from such reorganization, reclassification, consolidation, merger, sale, or similar transaction, shall assume, by written instrument substantially similar in form and substance to this Certificate of Designation, the obligation to deliver to the holders of Series A Preferred Stock such shares of stock, securities, or assets which, in accordance with the foregoing provisions, such holders shall be entitled to receive upon conversion of the Series A Preferred Stock. Notwithstanding anything to the contrary contained herein, with respect to any corporate event or other transaction contemplated by the provisions of this Section 8.5(b), each holder of Shares of Series A Preferred Stock shall have the right to elect prior to the consummation of such event or transaction, to give effect to the provisions of Section 5.1(b) (if applicable to such event or transaction) or Section 8 hereunder, instead of giving effect to the provisions contained in this Section 8.5(b) with respect to such holder's Series A Preferred Stock.

(c) Certificate as to Adjustment.

(i) As promptly as reasonably practicable following any adjustment of the Conversion Price, but in any event not later than five (5) days thereafter, the Corporation shall furnish to each holder of record of Series A Preferred Stock at the address specified for such holder in the books and records of the Corporation (or at such other address as may be provided to the Corporation in writing by such holder) a certificate of an executive officer setting forth in reasonable detail such adjustment and the facts upon which it is based and certifying the calculation thereof.

(ii) As promptly as reasonably practicable following the receipt by the Corporation of a written request by any holder of Series A Preferred Stock, but in any event not later than five (5) days thereafter, the Corporation shall furnish to such holder a certificate of an executive officer certifying the Conversion Price then in effect and the number of Conversion Shares or the amount, if any, of other shares of stock, securities, or assets then issuable to such holder upon conversion of the Shares of Series A Preferred Stock held by such holder.

(d) Notices. In the event:

(i) that the Corporation shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon

conversion of the Series A Preferred Stock) for the purpose of entitling or enabling them to receive any dividend or other distribution, to vote at a meeting (or by written consent), to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or

(ii) of any capital reorganization of the Corporation, any reclassification of the Common Stock of the Corporation, any consolidation or merger of the Corporation with or into another Person, or sale of all or substantially all of the Corporation's assets to another Person; or

(iii) of the voluntary or involuntary dissolution, liquidation, or winding-up of the Corporation;

then, and in each such case, the Corporation shall send or cause to be sent to each holder of record of Series A Preferred Stock at the address specified for such holder in the books and records of the Corporation (or at such other address as may be provided to the Corporation in writing by such holder) at least ten (10) days prior to the applicable record date or the applicable expected effective date, as the case may be, for the event, a written notice specifying, as the case may be, (A) the record date for such dividend, distribution, meeting or consent, or other right or action, and a description of such dividend, distribution, or other right or action to be taken at such meeting or by written consent, or (B) the effective date on which such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation, or winding-up is proposed to take place, and the date, if any is to be fixed, as of which the books of the Corporation shall close or a record shall be taken with respect to which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon conversion of the Series A Preferred Stock) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, sale, dissolution, liquidation, or winding-up, and the amount per share and character of such exchange applicable to the Series A Preferred Stock and the Conversion Shares.

9. Reissuance of Series A Preferred Stock. Any Shares of Series A Preferred Stock converted or otherwise acquired by the Corporation or any Subsidiary shall be cancelled and retired as authorized and issued shares of capital stock of the Corporation and no such Shares shall thereafter be reissued, sold, or transferred.

10. Notices. Except as otherwise provided herein, all notices, requests, consents, claims, demands, waivers, and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent (a) to the Corporation, at its principal executive offices and (b) to any stockholder, at such holder's

address at it appears in the stock records of the Corporation (or at such other address for a stockholder as shall be specified in a notice given in accordance with this Section 10).

11. Amendment and Waiver. No provision of this Certificate of Designation may be amended, modified, or waived except by an instrument in writing executed by the Corporation and the holders of a majority of the Shares of Series A Preferred Stock outstanding, and any such written amendment, modification, or waiver will be binding upon the Corporation and each holder of Series A Preferred Stock; *provided, farther,* that no amendment, modification, or waiver of the terms or relative priorities of the Series A Preferred Stock may be accomplished by the merger, consolidation, or other transaction of the Corporation with another corporation or entity unless the Corporation has obtained the prior written consent of the holders in accordance with this Section **11.**

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Certificate of Designation is executed on behalf of the Corporation by its authorized officer on April 11, 2025.

ALAUNOS THERAPEUTICS, INC.

By: prL707J11-30CDTJ
Name: Melinda Lackey
Title: SVP Legal

SUBSCRIPTION AGREEMENT

THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 OR THE SECURITIES LAWS OF ANY STATE OR ANY OTHER JURISDICTION. THERE ARE FURTHER RESTRICTIONS ON THE TRANSFERABILITY OF THE SECURITIES DESCRIBED HEREIN.

THE PURCHASE OF THE SECURITIES INVOLVES A HIGH DEGREE OF RISK AND SHOULD BE CONSIDERED ONLY BY PERSONS WHO CAN BEAR THE RISK OF THE LOSS OF THEIR ENTIRE INVESTMENT.

This Subscription Agreement (this “**Agreement**”), dated as of April 11, 2025 is by and between Alaunos Therapeutics, Inc., a corporation organized under the laws of Delaware (the “**Company**”) and each of the undersigned subscribers as listed in Appendix A (individually, a “**Subscriber**” and collectively, the “**Subscribers**”).

RECITALS

A. The Company has authorized a new series of Series A Preferred Stock (the “**Preferred Stock**”) pursuant to the Certificate of Designation in the form attached hereto as Appendix C (the “**Certificate of Designation**”), which such Preferred Stock shall under certain circumstances entitle the Subscribers to receive shares of the Company’s common stock, par value \$0.001 per share (together with any capital stock into which such common stock shall have been changed or any share capital resulting from a reclassification of such common stock, the “**Common Stock**”) (such underlying shares of Common Stock issuable pursuant to the terms of the Preferred Stock, the “**Underlying Shares**”).

B. Each Subscriber understands the Company is offering up to \$2,500,000 of Preferred Stock, par value \$0.001 per share (the “**Securities**”) in a private placement. Each Subscriber further understands that the offering is being made without registration of the Securities under the Securities Act of 1933, as amended (the “**Securities Act**”), or any securities law of any state of the United States or of any other jurisdiction, and is being made only to “accredited investors” (as defined in Rule 501 of Regulation D under the Securities Act).

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and each Subscriber hereby agree as follows:

1. Subscription. Subject to the terms and conditions hereof, each Subscriber hereby irrevocably subscribes for the Securities set forth in Appendix A hereto for the aggregate purchase price set forth in Appendix A, which is payable as described in Section 4 hereof. Each Subscriber acknowledges that the Securities will be subject to restrictions on transfer as set forth in this Agreement.

2. Acceptance of Subscription and Issuance of Securities. It is understood and agreed that the Company shall have the sole right, at its complete discretion, to accept or reject the subscription, in whole or in part, for any reason and that the same shall be deemed to be accepted by the Company only when it is signed by a duly authorized officer of the Company and delivered to the Subscriber at the Closing referred to in Section 3 hereof. Subscriptions need not be accepted in the order received, and the Securities may be allocated among each Subscriber. Notwithstanding anything in this Agreement to the contrary, the

Company shall have no obligation to issue any of the Securities to any person who is a resident of a jurisdiction in which the issuance of Securities to such person would constitute a violation of the securities, “blue sky” or other similar laws of such jurisdiction (collectively referred to as the “**State Securities Laws**”).

3. The Closing. The closing of the purchase and sale of the Securities (the “**Closing**”) shall occur by electronic transmission or other transmission as mutually acceptable to the parties at 10:00 a.m. (prevailing Central Time) on the first business day on which the conditions to the Closing set forth in Section 7 are satisfied or waived (or such other date as is mutually agreed to by the Company and each Subscriber).

4. Payment for Securities. Payment for the Securities shall be received by the Company from each Subscriber by wire transfer of immediately available funds or other means approved by the Company at or prior to the Closing, in the amount as set forth opposite such Subscriber’s name in Appendix A hereto. The Company shall deliver to each Subscriber certificates representing the purchased Securities as is set forth opposite such Subscriber’s name in Appendix A hereto at the Closing bearing an appropriate legend referring to the fact that the Securities were sold in reliance upon an exemption from registration under the Securities Act.

5. Representations and Warranties of the Company. As of the Closing, the Company represents and warrants that:

(a) The Company has been duly incorporated and is validly existing and in good standing under the laws of Delaware, with full power and authority to conduct its business as it is currently being conducted and to own its assets; and has secured any authorizations, approvals, permits and orders required by law for the conduct by the Company of its business as it is currently being conducted.

(b) The authorized capital of the Company consists, immediately prior to the Closing, of (i) 5,000,000 shares of Common Stock, 1,601,252 shares of which are issued and outstanding immediately prior to the Closing; and 30,000,000 shares of preferred stock, par value \$0.001 per share, of which 1,000 shares have been designated Series A-1 Preferred Stock, none of which are issued and outstanding immediately prior to the Closing. All of the outstanding shares of capital stock have been duly authorized, are fully paid and nonassessable and were issued in compliance with all applicable federal and state securities laws.

(c) The Securities have been duly authorized and, when issued, delivered and paid for in the manner set forth in this Agreement, will be validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under this Agreement or applicable federal and state securities laws. The Underlying Shares have been duly reserved for issuance, and upon issuance in accordance with the terms of the Certificate of Designation, will be validly issued, fully paid and nonassessable and free of restrictions on transfer other than restrictions on transfer under this Agreement or applicable federal and state securities laws.

(d) All corporate action required to be taken by the Company in order to authorize the Company to enter into this Agreement, and to issue the Securities at the Closing and the Underlying Shares, has been taken or will be taken prior to the Closing. All action on the part of the officers of the Company necessary for the execution and delivery of this Agreement, the performance of all obligations of the Company under this Agreement to be performed as of the Closing, and the issuance and delivery of the Securities has been taken. This Agreement, when executed and delivered by the Company, shall constitute a valid and legally binding obligation of the Company,

enforceable against the Company in accordance with its terms except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other laws of general application relating to or affecting the enforcement of creditors' rights generally.

(e) The Company is not in violation or default (i) of any provisions of its Certificate of Incorporation or Bylaws; (ii) in any material respect of any instrument, judgment, order, writ or decree; (iii) in any material respect under any note, indenture or mortgage; (iv) in any material respect under any lease, agreement, contract or purchase order to which it is a party or by which it is bound; or (v) of any provision of any federal or state statute, rule or regulation applicable to the Company the violation of which would have a material adverse effect on the Company. The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement will not result in any such violation or be in conflict with or constitute, with or without the passage of time and giving of notice, either (x) a default under any such provision, instrument, judgment, order, writ, decree, contract or agreement; or (y) an event which results in the creation of any lien, charge or encumbrance upon any assets of the Company or the suspension, revocation, forfeiture, or nonrenewal of any material permit or license applicable to the Company.

6. Representations and Warranties of the Subscriber. Each Subscriber, severally and not jointly, hereby represents and warrants to and covenants with the Company with respect to only itself that:

(a) General.

(i) Such Subscriber has all requisite authority (and in the case of an individual, the capacity) to purchase the Securities, enter into this Agreement and to perform all the obligations required to be performed by such Subscriber hereunder, and such purchase will not contravene any law, rule, or regulation binding on such Subscriber or any investment guideline or restriction applicable to such Subscriber.

(ii) Such Subscriber is a resident of the state set forth on the signature page hereto and is not acquiring the Securities as a nominee or agent or otherwise for any other person.

(iii) Such Subscriber will comply with all applicable laws and regulations in effect in any jurisdiction in which such Subscriber purchases or sells Securities and obtain any consent, approval or permission required for such purchases or sales under the laws and regulations of any jurisdiction to which such Subscriber is subject or in which such Subscriber makes such purchases or sales, and the Company shall have no responsibility therefor.

(b) Information Concerning the Company.

(i) Such Subscriber understands and accepts that the purchase of the Securities involves various risks, including the risks outlined in this Agreement. Such Subscriber represents that it is able to bear any loss associated with an investment in the Securities.

(ii) Such Subscriber confirms that it is not relying on any communication (written or oral) of the Company or any of its affiliates, as investment or tax advice or as a recommendation to purchase the Securities. It is understood that information and explanations related to the terms and conditions of the Securities provided by the Company

or any of its affiliates shall not be considered investment or tax advice or a recommendation to purchase the Securities, and that neither the Company nor any of its affiliates is acting or has acted as an advisor to such Subscriber in deciding to invest in the Securities. Such Subscriber acknowledges that neither the Company nor any of its affiliates has made any representation regarding the proper characterization of the Securities for purposes of determining such Subscriber's authority to invest in the Securities.

(iii) Such Subscriber is familiar with the business and financial condition and operations of the Company. Such Subscriber has had access to such information concerning the Company and the Securities as it deems necessary to enable it to make an informed investment decision concerning the purchase of the Securities.

(iv) Such Subscriber understands that, unless such Subscriber notifies the Company in writing to the contrary at or before the Closing, each of such Subscriber's representations and warranties contained in this Agreement will be deemed to have been reaffirmed and confirmed as of the Closing, taking into account all information received by such Subscriber.

(v) Such Subscriber acknowledges that the Company has the right in its sole and absolute discretion to abandon this private placement at any time prior to the Closing. This Agreement shall thereafter have no force or effect, and the Company shall return the previously paid subscription price of the Securities, without interest thereon, to such Subscriber.

(vi) Such Subscriber understands that no federal or state agency has passed upon the merits or risks of an investment in the Securities or made any finding or determination concerning the fairness or advisability of this investment.

(c) Non-Reliance.

(i) Such Subscriber represents that it is not relying on (and will not at any time rely on) any communication (written or oral) of the Company, as investment advice or as a recommendation to purchase the Securities, it being understood that information and explanations related to the terms and conditions of the Securities shall not be considered investment advice or a recommendation to purchase the Securities.

(ii) Such Subscriber confirms that the Company has not (A) given any guarantee or representation as to the potential success, return, effect or benefit (either legal, regulatory, tax, financial, accounting or otherwise) of an investment in the Securities or (B) made any representation to such Subscriber regarding the legality of an investment in the Securities under applicable securities or tax laws. In deciding to purchase the Securities, such Subscriber is not relying on the advice or recommendations of the Company and such Subscriber has made its own independent decision that the investment in the Securities is suitable and appropriate for such Subscriber.

(d) Status of Subscriber.

(i) Such Subscriber has such knowledge, skill and experience in business, financial and investment matters that such Subscriber is capable of evaluating the merits and risks of an investment in the Securities. With the assistance of such Subscriber's own professional advisors, to the extent that such Subscriber has deemed appropriate, such

Subscriber has made its own legal, tax, accounting, and financial evaluation of the merits and risks of an investment in the Securities and the consequences of this Agreement. Such Subscriber has considered the suitability of the Securities as an investment in light of its own circumstances and financial condition and such Subscriber is able to bear the risks associated with an investment in the Securities, and it is authorized to invest in the Securities.

(ii) Such Subscriber is an “accredited investor” as defined in Rule 501(a) under the Securities Act. Such Subscriber agrees to furnish any additional information requested by the Company or any of its affiliates to assure compliance with applicable U.S. federal and state securities laws in connection with the purchase and sale of the Securities. Such Subscriber acknowledges that such Subscriber has completed the Investor Questionnaire contained in Appendix B and that the information contained therein is complete and accurate as of the date thereof and is hereby affirmed as of the date hereof. Any information that has been furnished or that will be furnished by such Subscriber to evidence its status as an accredited investor is accurate and complete, and does not contain any misrepresentation or material omission.

(iii) If such Subscriber is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code), the Subscriber hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Securities or any use of this Agreement, including (i) the legal requirements within its jurisdiction for the purchase of the Securities, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any governmental or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale, or transfer of the Securities. Such Subscriber’s subscription and payment for and continued beneficial ownership of the Securities will not violate any applicable securities or other laws of such Subscriber’s jurisdiction.

(iv) Neither such Subscriber, nor any of its officers, directors, employees, agents, stockholders or partners, is a sanctioned party.

(v) Neither such Subscriber, nor any of its officers, directors, employees, agents, stockholders or partners has either directly or indirectly, including, through a broker or finder (x) engaged in any general solicitation, or (y) published any advertisement in connection with the offer and sale of the Securities.

(vi) Such Subscriber acknowledges that it is not relying upon any Person, other than the Company and its officers and directors, in making its investment or decision to invest in the Company. Such Subscriber agrees that neither any Subscriber nor the respective controlling Persons, officers, directors, partners, agents, or employees of any Subscriber shall be liable to any other Subscriber for any action heretofore taken or omitted to be taken by any of them in connection with the purchase of the Securities. For purposes of this Agreement, “**Person**” means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and any governmental entity or any department or agency thereof.

(vii) If such Subscriber is an individual, then such Subscriber resides in the state or province identified in the address of such Subscriber set forth on such Subscriber’s signature page or Appendix A; if such Subscriber is a partnership, corporation, limited

liability company or other entity, then the office or offices of such Subscriber in which it has its principal place of business is identified in the address or addresses of such Subscriber set forth on such Subscriber's signature page or Appendix A.

(e) Restrictions on Transfer or Sale of Securities.

(i) Such Subscriber is acquiring the Securities solely for such Subscriber's own beneficial account, for investment purposes, and not with a view to, or for resale in connection with, any distribution of the Securities. Such Subscriber understands that the Securities have not been registered under the Securities Act or any State Securities Laws by reason of specific exemptions under the provisions thereof which depend in part upon the investment intent of such Subscriber and of the other representations made by such Subscriber in this Agreement. Such Subscriber understands that the Company is relying upon the representations and agreements contained in this Agreement (and any supplemental information) for the purpose of determining whether this transaction meets the requirements for such exemptions.

(ii) Such Subscriber understands that the Securities are "restricted securities" under applicable federal securities laws and that the Securities Act and the rules of the U.S. Securities and Exchange Commission (the "**Commission**") provide in substance that such Subscriber may dispose of the Securities only pursuant to an effective registration statement under the Securities Act or an exemption from the registration requirements of the Securities Act, and such Subscriber understands that the Company has no obligation or intention to register any of the Securities or the offering or sale thereof, or the Underlying Shares, or to take action so as to permit offers or sales pursuant to the Securities Act or an exemption from registration thereunder (including pursuant to Rule 144 thereunder), in each case except as set forth in this Agreement. Accordingly, such Subscriber understands that under the Commission's rules, such Subscriber may dispose of the Securities only in transactions which are exempt from registration under the Securities Act, in which event the transferee will acquire "restricted securities," subject to the same limitations that apply to the Securities in the hands of such Subscriber. Consequently, such Subscriber understands that such Subscriber must bear the economic risks of the investment in the Securities for an indefinite period of time.

(iii) Such Subscriber agrees: (A) that the Subscriber will not sell, assign, pledge, give, transfer, or otherwise dispose of the Securities or any interest therein, or make any offer or attempt to do any of the foregoing, unless the transaction is registered under the Securities Act and complies with the requirements of all applicable State Securities Laws, or the transaction is exempt from the registration provisions of the Securities Act and all applicable requirements of State Securities Laws; (B) that the certificates representing the Securities will bear a legend making reference to the foregoing restrictions; and (C) that the Company and its affiliates shall not be required to give effect to any purported transfer of such Securities, except upon compliance with the foregoing restrictions.

(iv) The undersigned acknowledges that neither the Company nor any other person offered to sell the Securities to it by means of any form of general solicitation or advertising, including but not limited to: (A) any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television or radio or (B) any seminar or meeting whose attendees were invited by any general solicitation or general advertising.

7. Conditions to Obligations of the Subscriber and the Company. The obligations of each Subscriber to purchase and pay for the Securities specified in Appendix A and of the Company to sell those Securities, are subject to the satisfaction at or prior to the Closing of the following conditions precedent:

(a) the representations and warranties of the Company contained in Section 5 hereof and of each Subscriber contained in Section 6 hereof shall be true and correct as of the Closing in all respects with the same effect as though such representations and warranties had been made on and as of the Closing; and (b) the Company shall have filed the Certificate of Designations with the Secretary of State of Delaware on or prior to the Closing, which shall continue to be in full force and effect as of the Closing.

8. Covenants

So long as any of the Securities remain outstanding, the Company shall at all times have no less than a number of shares of authorized but unissued Common Stock equal to the number of Underlying Shares plus all remaining unpaid dividends payable on the Securities (the “**Required Reserve Amount**”). If at any time the number of shares of Common Stock authorized and reserved for issuance is not sufficient to meet the Required Reserve Amount, the Company will limit any conversion of the Preferred Stock by a Subscriber on a proportional basis with all shares of Preferred Stock outstanding (regardless of whether any other shares are convertible at such time) to the greatest amount that may be converted until taking corporate action necessary to authorize and reserve a sufficient number of shares, including, without limitation, calling a special meeting of stockholders to authorize additional shares to meet the Company’s obligations pursuant to this Agreement and the Certificate of Designation (together, the “**Transaction Documents**”), in the case of an insufficient number of authorized shares, obtain stockholder approval (if required) of an increase in such authorized number of shares, so that the number of authorized shares is sufficient to meet the Required Reserve Amount.

9. Registration

(a) The Company agrees that as soon as practicable following the Closing and in any event within 90 calendar days following the Closing, the Company will submit or file with the Commission a registration statement for a shelf registration on Form S-3 (or Form S-1 if Form S-3 is not available to the Company at such time), covering the resale of the Underlying Shares and any other shares of Common Stock held by the Subscribers (collectively, the “Registrable Securities”) and the Company shall use its commercially reasonable efforts to have the registration statement declared effective as soon as practicable after the filing thereof.

(b) Subject to the terms and conditions hereof, whenever the Company proposes to register any Common Stock under the Securities Act in a sale of securities of the Company to an underwriter or underwriters for reoffering to the public (an “**Underwritten Offering**”), whether for its own account or for the account of others, the Company shall give the Subscribers written notice thereof and will offer to include in such registration statement all of the Underlying Shares issuable by the Subscribers. All registrations pursuant to this Section 9(b) are referred to herein as “Piggyback Registrations”. Subject to Section 9(c), the Company shall include in each such Piggyback Registration the Underlying Shares issuable to the Subscribers (each, a “**Piggyback Seller**”) with respect to which the Company has received written requests (which written requests shall specify the number of Preferred Stock and Underlying Shares requested to be disposed of by such Piggyback Seller) for inclusion therein within 15 days after such Piggyback Notice is received by such Piggyback Seller.

(c) In connection with a Piggyback Registration, if the lead managing underwriter(s) advise(s) the Company that, in its opinion, the inclusion of all the securities sought to be included

in such Piggyback Registration by (w) the Company, (x) other Persons who have sought to have shares of Common Stock registered in such Piggyback Registration pursuant to rights to demand (and not “piggyback” or other incidental or participation registration rights) (such Persons being “**Other Demanding Sellers**”), (y) the Piggyback Sellers, and (z) any other proposed sellers of shares of Common Stock (such Persons being “**Other Proposed Sellers**”), as the case may be, would materially and adversely affect the success thereof, then the Company shall include in the registration statement applicable to such Piggyback Registration only such securities as the Company is so advised by such lead managing underwriter(s) can be sold without such an effect; *provided, however*, that if a the number of Underlying Shares to be registered in such Piggyback Registration is reduced as a result of the foregoing sentence, then the number of shares to be registered for the Other Demanding Sellers, the Piggyback Sellers, and the Other Proposed Sellers shall also be reduced proportionally.

(d) In connection with any Underwritten Offering under this Section 9 for the Company’s account, the Company shall not be required to include the Underlying Shares of a Piggyback Seller in the Offering unless such Piggyback Seller accepts the terms of the underwriting as agreed upon between the Company and the lead managing underwriter(s), which shall be selected by the Company.

(e) If, at any time after giving written notice of its intention to register any shares of Common Stock (or other securities, as applicable) as set forth in this Section 9 and prior to the time the registration statement filed in connection with such Piggyback Registration is declared effective, the Company shall determine for any reason not to register such shares of Common Stock (or other securities, as applicable), the Company may, at its election, give written notice of such determination to the Piggyback Sellers within five (5) business days thereof and thereupon shall be relieved of its obligation to register any Underlying Shares in connection with such particular withdrawn or abandoned Piggyback Registration.

(f) Any Subscriber having notified the Company to include any or all of its Underlying Shares in a Piggyback Registration shall have the right to withdraw any such notice with respect to any or all of the Underlying Shares designated by it for registration by giving written notice to such effect to the Company prior to the effective date of such registration statement. In the event of any such withdrawal, the Company shall not include such Underlying Shares in the applicable registration. No such withdrawal shall affect the obligations of the Company with respect to the Underlying Shares not so withdrawn.

(g) Any and all registration expenses (exclusive of stock transfer taxes, underwriting discounts and commissions) related to the registration of Registrable Securities pursuant to this Section 9 will be borne by the Company.

10. Obligations Irrevocable. The obligations of each Subscriber shall be irrevocable.

11. Legend. The book-entry statement representing the Securities sold pursuant to this Agreement will be noted with a legend in substantially the following form:

“THE SECURITIES EVIDENCED HEREIN HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. THE SECURITIES MAY NOT BE OFFERED, SOLD, PLEDGED, OR OTHERWISE TRANSFERRED EXCEPT (1) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN

ACCORDANCE WITH ALL APPLICABLE STATE SECURITIES LAWS AND THE SECURITIES LAWS OF OTHER JURISDICTIONS, AND IN THE CASE OF A TRANSACTION EXEMPT FROM REGISTRATION, UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO IT THAT SUCH TRANSACTION DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT OR SUCH OTHER APPLICABLE LAWS.”

12.Waiver, Amendment. Neither this Agreement nor any provisions hereof shall be modified, changed, discharged or terminated except by an instrument in writing, signed by the party against whom any waiver, change, discharge or termination is sought.

13.Assignability. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by either the Company or any Subscriber without the prior written consent of the other party, and any attempted assignment without such prior written consent shall be void.

14.Waiver of Jury Trial. EACH SUBSCRIBER IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY WITH RESPECT TO ANY LEGAL PROCEEDING ARISING OUT OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

15.Submission to Jurisdiction. With respect to any suit, action, or proceeding relating to any offers, purchases, or sales of the Securities by any Subscriber (“**Proceedings**”), each Subscriber irrevocably submits to the jurisdiction of the federal and state courts located in Harris County, Texas, which submission shall be exclusive, unless none of such courts has lawful jurisdiction over such Proceedings.

16.Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware.

17.Section and Other Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

18.Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which together shall be deemed to be one and the same agreement.

19.Independent Nature of Subscribers’ Obligations and Rights. The use of a single agreement to effectuate the purchase and sale of the Securities contemplated hereby was solely in the control of the Company, not the action or decision of any Subscriber, and was done solely for the convenience of the Company and not because it was required or requested to do so by any Subscriber. It is expressly understood and agreed that each provision contained in this Agreement is between the Company and a Subscriber, solely, and not between the Company and the Subscribers collectively and not between and among the Subscribers.

20.Notices. Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by electronic mail (provided that such sent e-mail is kept on file (whether electronically or otherwise) by the sending party and the sending party does not receive an automatically generated message from the recipient’s e-mail server that such e-mail could not be delivered to such recipient); or (iii) one (1) business day after deposit with an overnight courier service with next day delivery specified, in each case, properly addressed to the party to receive the same. The addresses and e-mail addresses for such communications shall be:

If to the Company:

Alaunos Therapeutics, Inc.
2617 Bissonnet Street, Suite 225
Houston, TX 77005
Attention: Chief Executive Officer E-mail:
chogue@alaunos.com

with a copy to:

Norton Rose Fulbright US LLP 2200 Ross Avenue, Suite 3600
Dallas, TX 75201 Attention: Brandon Byrne
E-mail: brandon.byrne@nortonrosefulbright.com

If to a Subscriber, to (i) its address and e-mail address set forth on Appendix A, with copies to such Subscriber's representatives as set forth on Appendix A.

Or in each case, to such other address, e-mail address and/or to the attention of such other Person as the recipient party has specified by written notice given to each other party five (5) days prior to the effectiveness of such change. Written confirmation of receipt (A) given by the recipient of such notice, consent, waiver or other communication, (B) electronically generated by the sender's e-mail or (C) provided by an overnight courier service shall be rebuttable evidence of personal service, receipt by e-mail or receipt from an overnight courier service in accordance with clause (i), (ii) or (iii) above, respectively.

21. Expenses. Each party hereto shall pay for its own costs and expenses that it incurs with respect to the negotiation, execution, delivery and performance of this Agreement; provided that the Company shall reimburse Watermill Capital or its affiliate(s) for its out-of-pocket expenses in connection with the transactions contemplated hereby in an amount not to exceed \$30,000.

22. Binding Effect. The provisions of this Agreement shall be binding upon and accrue to the benefit of the parties hereto and their respective heirs, legal representatives, successors, and assigns.

23. Survival. All representations, warranties and covenants contained in this Agreement shall survive (i) the acceptance of the subscription by the Company and the Closing, (ii) changes in the transactions or Transaction Documents which are not material or which are to the benefit of such Subscriber, and (iii) the death or disability of such Subscriber.

24. Notification of Changes. Each Subscriber hereby covenants and agrees to notify the Company upon the occurrence of any event prior to the Closing of the purchase of the Securities pursuant to this Agreement which would cause any representation, warranty, or covenant of the Subscriber contained in this Agreement to be false or incorrect.

25. Severability. If any term or provision of this Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each Subscriber and the Company have executed this Agreement as of the date first written above.

ALAUNOS THERAPEUTICS, INC.

Dale Curtis Hogue, Jr.

By: Dale Curtis Hogue, Jr. (Apr 11, 2025 14:34 CDT)

Name: Curtis Hogue Title: Interim CEO

IN WITNESS WHEREOF, each Subscriber and the Company have has executed this Agreement to be duly executed as of the date first written above.

SUBSCRIBER (if an individual):

Name:

SUBSCRIBER (if an entity):

Watermill Asset Management

Legal Name of Entity

By: *R. W. Post*
Name: *Robert W Post*
Title: *President / Owner*

**APPENDIX A SCHEDULE OF
SUBSCRIBERS**

<u>Subscriber</u>	<u>Address (including state of domicile/formation).</u>	<u>Aggregate Number of Series A-1 Preferred Stock to Be Acquired</u>	<u>Aggregate Purchase Price to be Paid</u>
Water Mill Asset Management Corp.	PO Box 20 Water Mill, N.Y., 11976 Attn: Robert Postma Email: rwpostma1@outlook.com Rwpostma@bloomberg.net	500	US\$500,000
TOTAL		500	US\$500,000

**APPENDIX B INVESTOR
QUESTIONNAIRE**

See attached.

APPENDIX C

FORM OF CERTIFICATE OF DESIGNATION

See attached.

