

**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): January 24, 2023

Metacrine, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-39512
(Commission
File Number)

47-2297384
(IRS Employer
Identification No.)

4225 Executive Square, Suite 600
San Diego, California
(Address of principal executive offices)

92037
(Zip Code)

Registrant's telephone number, including area code: (858) 369-7800

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 \$0.0001 per share	MTCR	The Nasdaq Capital Market

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 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On January 24, 2023, in connection with the approval by the board of directors (the “*Board*”) of Metacrine, Inc. (the “*Company*”) of the plan of liquidation and dissolution of the Company (the “*Plan of Dissolution*”), Preston Klassen, M.D., the Company’s President, Chief Executive Officer, Secretary and principal executive officer, was terminated from all positions of employment with the Company, effective as of February 1, 2023 (the “*Separation Date*”).

In connection with Dr. Klassen’s termination, the Company entered into a Separation Agreement and General Release of All Claims (the “*Separation Agreement*”) with Dr. Klassen, pursuant to which Dr. Klassen will, upon the effectiveness of the Separation Agreement, be entitled to (i) a one-time severance payment in the amount of \$1,156,600, less applicable taxes and withholdings; (ii) a cash payment equal to the amount of Dr. Klassen’s COBRA premiums through October 1, 2024, subject to applicable tax withholdings; and (iii) the full acceleration of the vesting and exercisability of each outstanding unvested stock option and other stock award held by Dr. Klassen as of the Separation Date, subject to Dr. Klassen’s agreement to a general release of claims in favor of the Company and its affiliates and compliance with certain confidentiality, non-disparagement and nondisclosure obligations. Dr. Klassen will remain as a member of the Board.

The foregoing description of the Separation Agreement is qualified in its entirety by reference to the complete text of the Separation Agreement, which is filed as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

On January 24, 2023, Michael York, the Company’s Chief Business Officer, was appointed to the additional positions of President, Chief Executive Officer and Secretary, and was designated as the Company’s principal executive officer, in each case effective as of the Separation Date. Mr. York will continue to serve as the Company’s Chief Business Officer, Treasurer, principal financial officer and financial accounting officer.

Mr. York, 58, has served as the Company’s Chief Business Officer since February 2022, and from December 2021 to February 2022 served as the Company’s Senior Vice President, Business Development & Commercial Strategy. From June 2018 to November 2021, he served in strategic business development roles at PhaseBio Pharmaceuticals, Inc. (NASDAQ: PHAS), most recently as Senior Vice President, Corporate Development and Alliance Management, where he led a number of licensing and development deals and was the architect for bentracimab’s commercial strategy. Prior to PhaseBio, he served as Vice President, Global Business Development and Alliance Management at Orexigen Therapeutics, Inc. (NASDAQ: OREX) from August 2015 to June 2018, where he led global business development activities to license Orexigen assets and manage alliance partners. Before Orexigen, Michael was President and Chief Executive Officer of Senté Labs, Inc., a privately held company recognized as a leader in medical skincare products based on glycoproteins. Earlier in his career, Mr. York held roles of increasing responsibility at Amylin Pharmaceuticals, Santarus, Inc., Amgen, AstraZeneca and Merck & Co., Inc. He received an MBA from the University of Redlands and a B.A. in public administration and economics from San Diego State University.

There are no arrangements or understandings between Mr. York and any other person pursuant to which Mr. York was selected to serve as the Company’s President, Chief Executive Officer, Secretary and principal executive officer. Mr. York does not have any direct or indirect interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

Item 8.01 Other Events.

On January 24, 2023, the Board approved the Plan of Dissolution, subject to the approval of the Company’s stockholders. The Company intends to call a special meeting of stockholders (the “*Special Meeting*”) to seek approval of the Plan of Dissolution and will file proxy materials relating to the Special Meeting with the Securities and Exchange Commission as soon as practicable.

A copy of the Plan of Dissolution is filed as Exhibit 2.1 to this Current Report on Form 8-K and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
2.1	Plan of Dissolution of Metacrine, Inc.
10.1	Separation Agreement and General Release of All Claims, dated as of January 24, 2023, by and between Metacrine, Inc. and Preston Klassen
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.

Metacrine, Inc.

Date: January 24, 2023

By: /s/ Michael York
Michael York
Chief Business Officer

Metacrine, Inc.

PLAN OF DISSOLUTION

This Plan of Dissolution (the “**Plan**”) is intended to accomplish the dissolution and liquidation of Metacrine, Inc., a Delaware corporation (the “**Company**”), in accordance with Section 275 and other applicable provisions of the General Corporation Law of the State of Delaware (the “**DGCL**”) and applicable provisions of the Internal Revenue Code of 1986, as amended (the “**Code**”).

1. Approval and Adoption of Plan. This Plan shall be effective when all of the following steps have been completed:
 - a. Resolutions of the Company’s Board of Directors: The Company’s Board of Directors (the “**Board**”) shall have adopted a resolution or resolutions with respect to the following:
 - i. the Board shall deem it advisable for the Company to be dissolved and liquidated completely;
 - ii. the Board shall approve this Plan as the appropriate means for carrying out the complete dissolution and liquidation of the Company; and
 - iii. the Board may determine that, as part of the Plan (but not as a separate matter arising under Section 271 of the DGCL), it is deemed expedient and in the best interests of the Company to transfer any of the Company’s assets remaining (collectively, the “**Remaining Assets**”) after satisfaction of all liabilities and obligations of the Company remaining on the date of dissolution of the Company (collectively, the “**Remaining Liabilities**”) to the Company’s creditors or stockholders, as appropriate.
 - b. Adoption of this Plan by the Company’s Stockholders: This Plan, including the dissolution of the Company and those provisions authorizing the Board to proceed with the transfer of the Remaining Assets to the Company’s stockholders and creditors, as appropriate, shall have been approved by the holders of a majority of the voting power of the outstanding capital stock of the Company entitled to vote thereon at a special or annual meeting of the stockholders of the Company called for such purpose by the Board pursuant to Section 275(c) of the DGCL. The date of such approval shall be referred to in this Plan as the “**Approval Date**.”
2. Dissolution and Liquidation Period. Once the Plan is effective, the steps set forth below shall be completed at such times as the Board, in its absolute discretion, deems necessary, appropriate or advisable:
 - a. the filing of a Certificate of Dissolution of the Company (the “**Certificate of Dissolution**”) pursuant to Section 275 of the DGCL specifying the date (no later than ninety (90) days after the filing) upon which the Certificate of Dissolution shall become effective (the “**Effective Date**”);
 - b. notification to the Financial Industry Regulatory Authority (“**FINRA**”) of the Effective Date at least 10 calendar days prior thereto pursuant to the FINRA Uniform Practice Code, including a request for withdrawal of the Company’s trading symbol from the Nasdaq Stock Market LLC, if applicable;

- c. from and after the Effective Date, the cessation of all of the Company's business activities and the withdrawal of the Company from any jurisdiction in which it is qualified to do business, except and insofar as necessary for the sale of its assets and for the proper winding up of the Company pursuant to Section 278 of the DGCL;
- d. the negotiation and consummation of sales and conversion of all of the Remaining Assets of the Company into cash and/or other distribution form, including where appropriate the assumption by the purchaser or purchasers of any or all liabilities of the Company, or if any Remaining Asset shall be deemed to have insignificant commercial value, to take such actions as may be necessary to properly abandon such Remaining Asset under applicable law;
- e. the dissolution and liquidation of any subsidiary entities wholly owned by the Company remaining after the actions taken pursuant to foregoing subparagraph (c), including the cessation of all of the business activities of any such entities and the withdrawal of any such entities from any jurisdiction in which it is qualified to do business, together with such filings as are required under applicable law;
- f. the taking of all actions required or permitted under the dissolution procedures of Section 281(b) of the DGCL; and
- g. the (1) payment or making reasonable provision to pay all claims and obligations of the Company, including all contingent, conditional or unmatured claims known to the Company; (2) making of such provision as will be reasonably likely to be sufficient to provide compensation for any claim against the Company which is the subject of a pending action, suit or proceeding to which the Company is a party; and (3) making of such provision as shall be reasonably likely to be sufficient to provide compensation for claims that have not been made known to the Company or that have not arisen but that, based on facts known to the Company, are likely to arise or to become known to the Company within ten years after the date of dissolution.

In addition, notwithstanding the foregoing, the Company shall not be required to follow the procedures described in Section 281(b) of the DGCL, and the adoption of the Plan by the stockholders of the Company as provided in Section 1 above shall constitute full and complete authority for the Board and the officers of the Company, without further stockholder action, to proceed with the dissolution and liquidation of the Company in accordance with any applicable provision of the DGCL, including, without limitation, Sections 280 and 281(a) thereof.

3. Authority of Officers and Directors.

- a. After the Effective Date, the Board may appoint additional or replacement directors or officers, hire employees and retain independent contractors and advisors in connection with the winding up process, and is authorized to pay to the Company's officers, directors and employees, or any of them, compensation or additional compensation above their regular compensation, in money or other property, in recognition of the extraordinary efforts they, or any of them, shall be required to undertake, or actually undertake, in connection with the successful implementation of this Plan. Adoption of this Plan by the stockholders of the Company as provided in Section 1 above shall constitute the approval by the Company's stockholders of the Board's authorization of the payment of any such compensation.

- b. The adoption of the Plan by the stockholders of the Company as provided in Section 1 above shall constitute full and complete authority for the Board and the officers of the Company, without further stockholder action, to do and perform any and all acts and to make, execute and deliver any and all agreements, conveyances, assignments, transfers, certificates and other documents of any kind and character that the Board or such officers deem necessary, appropriate or advisable: (1) to dissolve the Company in accordance with the laws of the State of Delaware and cause its withdrawal from all jurisdictions in which it is authorized to do business; (2) to transfer the Remaining Assets to the Company's stockholders or otherwise to sell, dispose, convey, transfer and deliver, all of the assets and properties of the Company, or to abandon Remaining Assets deemed to not have commercial value; (3) to satisfy or provide for the satisfaction of the Company's obligations in accordance with Sections 280 and 281 of the DGCL; and (4) for the Board to distribute any properties and assets of the Company and all remaining funds pro rata to the holders of the Common Stock of the Company in accordance with the respective number of shares of such Common Stock then held of record by them as of the Effective Date ("***Final Record Stockholders***").
4. Conversion of Assets Into Cash and/or Other Distributable Form.
 - a. Subject to approval by the Board, the officers, employees and agents of the Company shall, as promptly as feasible, proceed to (1) collect all sums due or owing to the Company, (2) sell and convert into cash and/or other distributable form, all the remaining assets and properties of the Company, if any, and (3) out of the assets and properties of the Company, pay, satisfy and discharge or make adequate provision for the payment, satisfaction and discharge of all debts and liabilities of the Company pursuant to Sections 2 and 3 above, including all expenses of the sales of assets and of the dissolution and liquidation provided for by the Plan.
 - b. The adoption of the Plan by the stockholders of the Company as provided in Section 1 above shall constitute full and complete authority for any sale, exchange or other disposition of the properties and assets of the Company contemplated by the Plan, whether such sale, exchange or other disposition occurs in one transaction or a series of transactions, and shall constitute ratification of all such contracts for sale, exchange or other disposition. The Company may invest in such interim assets as determined by the Board in its discretion, pending conversion to cash or other distributable forms.
5. Professional Fees and Expenses.
 - a. It is specifically contemplated that the Board may authorize the payment of a retainer fee to a law firm or law firms selected by the Board for legal fees and expenses of the Company, including, among other things, to cover any costs payable pursuant to the indemnification of the Company's officers or members of the Board provided by the Company pursuant to its certificate of incorporation and bylaws, as amended and/or restated, or the DGCL or otherwise.
 - b. In addition, in connection with and for the purpose of implementing and assuring completion of this Plan, the Company may, in the sole and absolute discretion of the Board, pay any brokerage, agency and other fees and expenses of persons rendering services, including accountants, tax advisors and valuation experts, to the Company in connection with the collection, sale, exchange or other disposition of the Company's property and assets and the implementation of this Plan.
6. Indemnification. The Company shall continue to indemnify its officers, directors, employees and agents in accordance with its certificate of incorporation and bylaws (each as amended to date) and any contractual arrangements, for actions taken in connection with this Plan and the winding up of the affairs of the Company. The Board, in its sole and absolute discretion, is authorized to obtain and maintain insurance as may be necessary, appropriate or advisable to cover the Company's obligations hereunder, including without limitation directors' and officers' liability coverage for acts and omissions in connection with implementation of this Plan.

7. Liquidating Distributions.

- a. In the event Stockholder Approval is obtained, liquidating distributions, if any, shall be made from time to time after the filing of the Certificate of Dissolution as provided in Section 1 above and adoption of this Plan by the stockholders to the Final Record Stockholders pro rata based on the number of shares of such common stock then held of record by them; provided that in the opinion of the Board adequate provision has been made for the payment, satisfaction and discharge of all known, unascertained or contingent debts, obligations and liabilities of the Company (including costs and expenses incurred and anticipated to be incurred in connection with the sale and distribution of assets and liquidation of the Company). Liquidating distributions shall be made in cash or to the extent necessary in kind, including in stock of, or ownership interests in, subsidiaries of the Company and remaining assets of the Company, if any. Such distributions may occur in a single distribution or in a series of distributions, in such amounts and at such time or times as the Board in its absolute discretion, and in accordance with Section 281 of the DGCL, may determine; provided, however, that the Company shall complete the distribution of all its properties and assets to its stockholders as provided in this Section in any event on or prior to the tenth anniversary of the Approval Date (the "**Final Distribution Date**").
- b. If and to the extent deemed necessary, appropriate or desirable by the Board in its absolute discretion, the Company may establish and set aside a reasonable amount of cash and/or property in an amount of approximately \$1.0 million to satisfy claims against the Company and other obligations of the Company (a "**Contingency Reserve**"), including, without limitations, (1) tax obligations, (2) all expenses of the sale of the Company's property and assets, if any, (3) the salary, fees and expenses of members of the Board, management and employees, (4) expenses for the collection and defense of the Company's property and assets, and (5) all other expenses related to the dissolution and liquidation of the Company and the winding-up of its affairs. Any unexpended amounts remaining in a Contingency Reserve shall be distributed to the Company's stockholders no later than the Final Distribution Date.
- c. As provided in Section 12 below, distributions made pursuant to this Plan shall be treated as made in complete liquidation of the Company within the meaning of the Code and the regulations promulgated thereunder. Subject to Stockholder Approval, the adoption of the Plan by the stockholders of the Company as provided in Section 1 above shall constitute full and complete authority for the making by the Board of all distributions contemplated in this Section 7.

8. Liquidating Trusts. The Board may but is not required to establish a Liquidating Trust (the "**Liquidating Trust**") and distribute assets of the Company to the Liquidating Trust. The Liquidating Trust may be established by agreement with one or more trustees selected by the Board. If the Liquidating Trust is established by agreement with one or more trustees, the trust agreement establishing and governing the Liquidating Trust shall be in form and substance determined by the Board. The trustees shall in general be authorized to take charge of the Company's property, and to sell and convert into cash any and all corporate non-cash assets and collect the debts and property due and belonging to the Company, with power to prosecute and defend, in the name of the Company, or otherwise, all such suits as may be necessary or proper for the foregoing purposes, and to appoint an agent under it and to do all other acts which might be done by the Company that may be necessary, appropriate or advisable for the final settlement of the unfinished business of the Company.

9. Unallocated Stockholders. Any cash or other property held for distribution to stockholders of the Company who have not, at the time of the final liquidating distribution, been located shall be transferred to the official of such state or other jurisdiction authorized by applicable law to receive the proceeds of such distribution. Such cash or other property shall thereafter be held by such person(s) solely for the benefit of and ultimate distribution, but without interest thereon, to such former stockholder or stockholders entitled to receive such assets, who shall constitute the sole equitable owners thereof, subject only to such escheat or other laws as may be applicable to unclaimed funds or property, and thereupon all responsibilities and liabilities of the Company with respect thereto shall be satisfied and exhausted. In no event shall any of such assets revert to or become the property of the Company.
10. Amendment, Modification or Abandonment of Plan. If for any reason the Board determines that such action would be in the best interests of the Company, it may amend, modify or abandon the Plan and all actions contemplated thereunder, including the proposed dissolution of the Company, notwithstanding stockholder approval of the Plan, to the extent permitted by the DGCL; provided, however, that the Board shall not abandon the Plan following the filing of the Certificate of Dissolution without first obtaining stockholder consent. Upon the abandonment of the Plan, the Plan shall be void.
11. Cancellation of Stock and Stock Certificates.
 - a. After known liabilities of the Company have been paid to the full extent possible, and the remaining assets of the Company, if any, have been distributed to the stockholders, the stockholders shall surrender any and all certificates representing the stock of the Company and shall have no further rights against the Company, whether arising out of each stockholder's status as a stockholder or as a creditor of the Company.
 - b. Following the filing of a Certificate of Dissolution of the Company, the Company's share transfer books shall be closed and the Company's capital stock and stock certificates evidencing the Company's capital stock will be treated as no longer being outstanding.
12. Liquidation under Code Sections 331 and 336. It is intended that this Plan shall be a plan of complete liquidation of the Company in accordance with the terms of Sections 331 and 336 of the Code. The Plan shall be deemed to authorize the taking of such action as, in the opinion of counsel to the Company, may be necessary to conform with the provisions of said Sections 331 and 336 and the regulations promulgated thereunder.
13. Filing of Tax Forms. The appropriate officers of the Company are authorized and directed, within thirty (30) days after the effective date of the Plan, to execute and file a United States Treasury Form 966 pursuant to Section 6043 of the Code and such additional forms and reports with the Internal Revenue Service as may be necessary or appropriate in connection with this Plan and the carrying out thereof.

**SEPARATION AGREEMENT AND
GENERAL RELEASE OF CLAIMS**

This Separation Agreement and General Release of All Claims (“Agreement”) is made by and between Metacrine, Inc. (“Employer”) and Preston Klassen (“Employee”) with respect to the following facts:

As a result of a Change in Control, Employee’s employment with Employer will conclude on February 1, 2023 (“Separation Date”). Employee will remain as a member of the Employer’s Board of Directors (the “Board”) following the Separation Date and until his successor is elected or his earlier death, resignation or removal. Employee will not receive compensation for such service on the Board.

THEREFORE, in consideration of the promises and mutual agreements set forth below, the undersigned agree as follows:

1. Severance Benefits. Employer shall provide Employee with the following Severance Benefits subject to Employee signing, timely returning and not revoking this Agreement:

1.1 Severance Payment. Employer agrees to pay Employee a Severance Payment in the gross amount of \$1,156,600, which is equal to eighteen (18) months’ base salary and 2023 annual target cash bonus, less applicable taxes and withholdings, an amount to which Employee is not otherwise entitled. The Severance Payment will be paid in a lump sum payment via direct deposit (if Employee currently uses direct deposit for receiving wages), or via check mailed to Employee’s last known address (if Employee does not currently use direct deposit) on the first payday following the later of: a) the Effective Date as described below; or b) the date on which Employee returns all of Employer’s property in Employee’s possession as provided under paragraph 8, below.

1.2 COBRA Premium Payments. Due to the pending dissolution of Employer, at the same time as the Severance Payment, the Employer will pay Employee a cash payment equal to the amount of Employee’s COBRA Premiums through October 1, 2024 subject to applicable tax withholding (such amount, the “Special Severance Payment”), such Special Severance Payment to be made without regard to your election of COBRA coverage or payment of COBRA premiums and without regard to your continued eligibility for COBRA coverage following the Separation Date.

1.3 Equity Acceleration. The vesting and exercisability of each outstanding unvested stock option and other stock award, as applicable, that you hold covering Company common stock (each, an “*Equity Award*”) shall be accelerated in full and any reacquisition or repurchase rights held by the Company in respect of common stock issued pursuant to any Equity Award granted to you shall lapse in full. For purposes of determining the number of shares that will vest pursuant to the foregoing provision with respect to any performance based vesting Equity Award for which the performance period has not ended and that has multiple vesting levels depending upon the level of performance, vesting acceleration with respect to any ongoing performance period(s) shall occur with respect to the number of shares subject to the award as if the applicable performance criteria had been attained at a 100% level or, if greater, based on actual performance as of your Covered Termination. If not exercised, the Equity Awards will terminate as of immediately prior the Employer’s filing of a Certificate of Dissolution with the Secretary of State of the State of Delaware. This is currently anticipated to happen on or about March 24, 2023, but could occur earlier or later than that date, at the discretion of the Board. Following such termination, no Equity Awards may be exercised. Notwithstanding anything to the contrary set forth herein, your Equity Awards shall remain subject to the terms of the applicable Company plan and award documents under which such Equity Award was granted, including any provision for earlier termination of such Equity Awards.

1.4 Employee acknowledges and agrees that the Severance Benefits constitute adequate legal consideration for the promises and representations made by Employee in this Agreement. With the sole exception of the benefits described in this paragraph 1, Employee acknowledges that Employee has received all compensation, wages, earned commissions, earned bonuses, and expense reimbursements owed to Employee through the Separation Date.

2. General Release.

2.1 Employee unconditionally, irrevocably and absolutely releases and discharges Employer, and any parent and subsidiary corporations, divisions and other affiliated entities of Employer, past and present, as well their past and present employees, officers, directors, agents, attorneys, successors and assigns (collectively, "Released Parties"), from all claims under the laws of the United States, the State of California and any other applicable city or state, related in any way to the transactions or occurrences between them to date, to the fullest extent permitted by law, including, but not limited to, Employee's employment with Employer, the termination of Employee's employment, and all other losses, liabilities, claims, charges, demands and causes of action, known or unknown, suspected or unsuspected, arising directly or indirectly out of or in any way connected with Employee's employment with Employer. This release is intended to have the broadest possible application and includes, but is not limited to, any tort, contract, common law, constitutional or other statutory claims, including, but not limited to alleged violations of the California Labor Code, Title VII of the Civil Rights Act of 1964, the California Fair Employment and Housing Act, the California Family Rights Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, all as amended, and all claims for attorneys' fees, costs and expenses. However, this release shall not apply to claims for workers' compensation benefits, unemployment insurance benefits or any other claims that, by statute, cannot lawfully be waived by this Agreement.

2.2 Employee acknowledges that Employee may discover facts or law different from, or in addition to, the facts or law that Employee knows or believes to be true with respect to the claims released in this Agreement and agrees, nonetheless, that this Agreement and the release contained in it shall be and remain effective in all respects notwithstanding such different or additional facts or the discovery of them. Employee further acknowledges that, during employment, Employee has not made any claims or allegations to Employer related to sexual assault or abuse, harassment, discrimination or retaliation.

2.3 Employee declares and represents that Employee intends this Agreement to be complete and not subject to any claim of mistake, and that the release herein expresses a full and complete release, and Employee intends the release herein to be final and complete. Employee executes this release with the full knowledge that this release covers all possible claims against the Released Parties, to the fullest extent permitted by law. The parties acknowledge and agree that this Agreement is a negotiated settlement agreement and Employee's acceptance of this Agreement is voluntary, deliberate and informed.

2.4 Employee expressly waives Employee's right to recover any type of personal relief from Employer, including monetary damages or reinstatement, in any administrative action or proceeding, whether state or federal, and whether brought by Employee or on Employee's behalf by an administrative agency, related in any way to the matters released herein; provided, however, that this paragraph does not limit Employee's right to receive a monetary or other award for information provided to Government Agencies (as that term is defined below).

2.5 Employee acknowledges that employee has been advised, as required by as required by California Government Code Section 12964.5(b)(4), that employee has the right to consult an attorney regarding this Agreement and that you were given a reasonable time period of not less than five business days in which to do so.

3. California Civil Code Section 1542 Waiver. Employee expressly acknowledges and agrees that all rights under Section 1542 of the California Civil Code and any other similar statute under any applicable law are expressly waived. Section 1542 specifically provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Employee understands that Employee is a "releasing party" within the meaning of Section 1542.

4. Representation Concerning Filing of Legal Actions In A Court of Law. Employee represents that, as of the date of this Agreement, Employee has not filed any lawsuits, complaints, petitions, claims or other accusatory pleadings against Employer or any of the other Released Parties in any court of law. Employee further agrees that, to the fullest extent permitted by law, Employee will not prosecute in any court, whether state or federal, any claim or demand of any type related to the matters released above, it being the intention of the Parties that with the execution of this release, the Released Parties will be absolutely, unconditionally and forever discharged of and from all obligations to or on behalf of Employee related in any way to the matters discharged herein. Nothing in this paragraph or this Agreement limits Employee's ability to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission ("Government Agencies"). Employee further understands that this Agreement does not limit Employee's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to Employer.

5. No Admissions. By entering into this Agreement, the Released Parties make no admission that they have engaged, or are now engaging, in any unlawful conduct. The Parties understand and acknowledge that this Agreement is not an admission of liability and shall not be used or construed as such in any legal or administrative proceeding.

6. Older Workers Benefit Protection Act. This Agreement is intended to satisfy the requirements of the Older Workers' Benefit Protection Act, 29 U.S.C. sec. 626(f). The following general provisions, along with the other provisions of this Agreement, are agreed to for this purpose:

6.1 Employee acknowledges and agrees that Employee has read and understands the terms of this Agreement.

6.2 Employee acknowledges that this Agreement advises Employee in writing that Employee may consult with an attorney before executing this Agreement, and that Employee has obtained and considered such legal counsel as Employee deems necessary, such that Employee is entering into this Agreement freely, knowingly, and voluntarily.

6.3 Employee acknowledges that Employee has been given at least forty-five (45) calendar days in which to consider whether or not to enter into this Agreement. Employee understands that, at Employee's option, Employee may elect not to use the full 45-day period.

6.4 This Agreement shall not become effective or enforceable until the eighth calendar day after Employee signs this Agreement. In other words, Employee may revoke Employee's acceptance of this Agreement within seven (7) calendar days after the date Employee signs it. Employee's revocation must be in writing and received by Preston Klassen on or before the seventh calendar day in order to be effective. If Employee does not revoke acceptance within the seven (7) calendar day period, Employee's acceptance of this Agreement shall become binding and enforceable on the eighth calendar day ("Effective Date").

6.5 This Agreement does not waive or release any rights or claims that Employee may have under the Age Discrimination in Employment Act that arise after the execution of this Agreement.

7. Severability. In the event any provision of this Agreement shall be found unenforceable by a court of competent jurisdiction, the provision shall be deemed modified to the extent necessary to allow enforceability of the provision as so limited, it being intended that the Released Parties shall receive the benefits contemplated herein to the fullest extent permitted by law. If a deemed modification is not satisfactory in the judgment of such court, the unenforceable provision shall be deemed deleted, and the validity and enforceability of the remaining provisions shall not be affected thereby.

8. Return of Employer Property. Employee understands and agrees that as a condition of receiving the Severance Benefits in paragraph 1, all Employer property still in Employee's possession, if any, must be immediately returned to Employer. By signing this Agreement, Employee represents and warrants that Employee has or will have returned such property no later than the Effective Date, including any Employer issued or provided credit cards, computers, vehicles, tangible property and equipment, keys, entry cards, identification badges, telephones, personal digital devices, smart phones, and all documents, files, folders, correspondence, memoranda, notes, notebooks, books, records, promotional materials, plans, forecasts, reports, proposals, agreements, financial information, CDs, thumb drivers, and all other computer-recorded information, as well as all copies thereof, electronic or otherwise.

9. Confidentiality. Employee agrees that confidentiality is one of the most important terms of this Agreement. The terms and conditions of this Agreement, including the information provided on the attached Exhibit A, shall remain confidential, and neither Employee nor any agent of Employee shall disclose, directly or indirectly, the facts underlying the terms and conditions of this Agreement or this Agreement itself to any other person or entity. Employee specifically agrees that Employee will not disclose that Employee has received the Severance Payment described above, or that Employee received any money or benefits relating to the termination of Employee's employment as described in this Agreement, except to Employee's registered domestic partner or spouse (if applicable), or to Employee's attorneys and financial advisors for income tax reporting purposes, or unless required

or permitted to do so by law. Employee agrees that disclosure of any of the terms or conditions of this Agreement, including the information provided on the attached Exhibit A, shall constitute and be treated as a material breach of this Agreement. Nothing in this Agreement shall be construed to prevent Employee from responding truthfully and completely to any lawfully issued court order or subpoena or from communicating with a Government Agency or otherwise participating in any investigation or proceeding that may be conducted by a Government Agency, including providing documents or other information, without notice to Employer. For the avoidance of doubt, this confidentiality provision does not apply to the Employee's testimony in an administrative, legislative, or judicial proceeding, as requested by court order, subpoena, or written request from an administrative agency or the legislature, regarding alleged criminal conduct or alleged sexual harassment on the part of Employer and any of the Released Parties.

10. Proprietary and Confidential Employer Information. Employee acknowledges that during Employee's employment with Employer, Employee may have had access to confidential or proprietary documents, materials or information regarding Employer's products, research, business affairs, and personnel matters, which Employee acknowledges and agrees are of a highly sensitive and confidential nature and considered trade secrets and/or proprietary to Employer. Such information, documents and materials may include, without limitation, trade secrets, inventions, research, plans, proposals, marketing and sales programs, financial projections, cost summaries, pricing formulas and all concepts or ideas, materials or information related to the products, research, business or sales of Employer or Employer's customers or business partners, as well as Employer's personnel matters, which has not previously been released to third parties within Employer's industry or the public at large by an authorized representative of Employer. Employee represents that Employee has held all such information confidential and will continue to do so, and that Employee will not use such confidential or proprietary information and/or documents for any purpose, specifically including use for any business in the same industry as Employer or in competition with Employer. Employee understands that this obligation of confidentiality continues indefinitely after Employee's Separation Date. Employee also hereby reaffirms Employee's agreement to, and all of Employee's obligations under, any proprietary information and inventions agreement previously signed by Employee. Immunity Notice: Pursuant to the Defend Trade Secrets Act of 2016, an individual may not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (a) is made (i) in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (a) files any document containing the trade secret under seal; and (b) does not disclose the trade secret, except pursuant to court order.

11. Non-Disparagement. To the fullest extent permitted by law, Employee agrees that Employee shall not, at any time, make any written, oral or electronically transmitted statement that is, or could reasonably be considered to be, a disparaging statement about Employer, its policies or practices or any of its current or former employees, officers, directors, attorneys, representatives or agents. Nothing in this Agreement shall be construed to prevent Employee from responding truthfully and completely to any lawfully issued court order or subpoena, from communicating with a Government Agency, or from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Employee has reason to believe is unlawful.

12. Applicable Law. The validity, interpretation and performance of this Agreement shall be construed and interpreted according to the laws of the United States of America and the State of California.

13. Binding on Successors. The Parties agree that this Agreement shall be binding on, and inure to the benefit of, their successors, heirs and/or assigns.

14. Full Defense. This Agreement may be pled as a full and complete defense to, and may be used as a basis for an injunction against, any action, suit or other proceeding that may be prosecuted, instituted or attempted by Employee in breach hereof. Employee agrees that in the event an action or proceeding is instituted by the Released Parties in order to enforce the terms or provisions of this Agreement, the Released Parties shall be entitled to an award of reasonable costs and attorneys' fees incurred in connection with enforcing this Agreement. The terms of this paragraph shall not apply to an action by Employee to challenge the enforceability of Employee's waiver of rights under the Age Discrimination in Employment Act.

15. Good Faith. The Parties agree to do all things necessary and to execute all further documents necessary and appropriate to carry out and effectuate the terms and purposes of this Agreement.

16. Integration. This Agreement contains the entire agreement between Employer and the Employee on the subjects addressed in this Agreement and replaces any other prior agreements or representations, whether oral or written, between them; provided, however, that any proprietary or confidential information agreement and/or arbitration agreement Employee signed with Employer remains in full force and effect and is not superseded by this Agreement.

17. Modification. This Agreement may be amended only by a written instrument executed by all parties hereto.

18. Section 409(A) of the Internal Revenue Code. It is intended that all of the benefits and payments under this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and other guidance thereunder and any state law of similar effect (collectively "Section 409A") provided under Treasury Regulations 1.409A 1(b)(4) and 1.409A 1(b)(9), and this Agreement will be construed to the greatest extent possible as consistent with those provisions and any ambiguities herein shall be interpreted accordingly. To the extent not so exempt, this Agreement (and any definitions hereunder) will be construed in a manner that complies with Section 409A and incorporates by reference all required definitions and payment terms.

19. Counterparts. This Agreement may be executed in counterparts and shall be binding on all parties when each has signed either an original or copy of this Agreement.

THE PARTIES TO THIS AGREEMENT HAVE READ THE FOREGOING AGREEMENT AND FULLY UNDERSTAND EACH AND EVERY PROVISION CONTAINED HEREIN. WHEREFORE, THE PARTIES HAVE EXECUTED THIS AGREEMENT ON THE DATES SHOWN BELOW.

Dated: January 24, 2023

/s/ Preston Klassen

Preston Klassen

Metacrine, Inc.

Dated: January 24, 2023

By: /s/ Michael York

Title: Chief Business Officer