

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): February 2, 2023

**SESEN BIO, INC.**  
(Exact name of Registrant as Specified in Its Charter)

Delaware  
(State or Other Jurisdiction  
of Incorporation)

001-36296  
(Commission File Number)

26-2025616  
(IRS Employer  
Identification No.)

245 First Street, Suite 1800  
Cambridge, MA  
(Address of Principal Executive Offices)

02142  
(Zip Code)

Registrant's Telephone Number, Including Area Code: (617) 444-8550

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 | SESN              | 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 8.01 – Other Events.

As previously announced, on September 20, 2022, Sesen Bio, Inc. (“Sesen Bio”) entered into a definitive merger agreement with CARISMA Therapeutics Inc. (“Carisma”), a clinical-stage biopharmaceutical company focused on discovering and developing innovative immunotherapies, pursuant to which a wholly-owned subsidiary of Sesen Bio will merge with and into Carisma (the “merger”), with Carisma surviving as a wholly-owned subsidiary of Sesen Bio. The merger is currently expected to close in the first quarter of 2023, subject to approval by Sesen Bio’s stockholders and other customary closing conditions.

In connection with the merger, on February 2, 2023, Sesen Bio issued a press release and posted a corporate presentation on its website [www.sesenbio.com](http://www.sesenbio.com) and the website [www.SesenBioandCarisma.com](http://www.SesenBioandCarisma.com). A copy of the press release is filed herewith as Exhibit 99.1 and a copy of the presentation is filed herewith as Exhibit 99.2 and both exhibits are incorporated herein by reference.

#### **Cautionary Note on Forward-Looking Statements**

Any statements in this Current Report on Form 8-K about future expectations, plans and prospects for Sesen Bio, Inc. (“Sesen Bio”), CARISMA Therapeutics Inc. (“Carisma Therapeutics”) or the combined company, Sesen Bio’s, Carisma Therapeutics’ or the combined company’s strategy or future operations, and other statements containing the words “anticipate,” “believe,” “contemplate,” “expect,” “intend,” “may,” “plan,” “predict,” “target,” “potential,” “possible,” “will,” “would,” “could,” “should,” “continue,” and similar expressions, constitute forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995. For example, statements concerning the proposed transaction, the concurrent financing, the contingent value rights and other matters, including without limitation: statements relating to the satisfaction of the conditions to and consummation of the proposed transaction, the expected timing of the consummation of the proposed transaction and the expected ownership percentages of the combined company, Sesen Bio’s and Carisma Therapeutics’ respective businesses, the strategy of the combined company, future operations, advancement of the combined company’s product candidates and product pipeline, clinical development of the combined company’s product candidates, including expectations regarding timing of initiation and results of clinical trials of the combined company, the ability of Sesen Bio to remain listed on the Nasdaq Stock Market, the completion of the concurrent financing, and the receipt of any payments under the contingent value rights are forward-looking statements. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including without limitation: (i) the risk that the conditions to the closing of the proposed transaction are not satisfied, including the failure to obtain stockholder approval of matters related to the proposed transaction in a timely manner or at all; (ii) uncertainties as to the timing of the consummation of the proposed transaction and the ability of each of Sesen Bio and Carisma Therapeutics to consummate the proposed transaction, including completing the concurrent financing; (iii) risks related to Sesen Bio’s ability to correctly estimate its expected net cash at closing and Sesen Bio’s and Carisma Therapeutics’ ability to correctly estimate and manage their respective operating expenses and expenses associated with the proposed transaction; (iv) risks related to Sesen Bio’s continued listing on the Nasdaq Stock Market until closing of the proposed transaction; (v) the risk that as a result of adjustments to the exchange ratio, Sesen Bio stockholders or Carisma Therapeutics stockholders could own less of the combined company than is currently anticipated; (vi) the risk that the conditions to payment under the contingent value rights will not be met and that the contingent value rights may otherwise never deliver any value to Sesen Bio stockholders; (vii) risks associated with the possible failure to realize certain anticipated benefits of the proposed transaction, including with respect to future financial and operating results; (viii) uncertainties regarding the impact any delay in the closing would have on the anticipated cash resources of the combined company upon closing and other events and unanticipated spending and costs that could reduce the combined company’s cash resources; (ix) the effect of uncertainties related to the actions of activist stockholders, which could make it more difficult to obtain the approval of Sesen Bio stockholders with respect to the transaction related proposals and result in Sesen Bio incurring significant fees and other expenses, including for third-party advisors; (x) the occurrence of any event, change or other circumstance or condition that could give rise to the termination of the merger agreement; (xi) the effect of the announcement, pendency or completion of the merger on Sesen Bio’s or Carisma Therapeutics’ business relationships, operating results and business generally; (xii) costs related to the merger; (xiii) the outcome of any legal proceedings that may be instituted against Sesen Bio, Carisma Therapeutics or any of their respective directors or officers related to the merger agreement or the transactions contemplated thereby; (xiv) the ability of Sesen Bio or Carisma Therapeutics to protect their respective intellectual property rights; (xv) competitive responses to the proposed transaction and changes in expected or existing competition; (xvi) the success and timing of regulatory submissions and pre-clinical and clinical trials; (xvii) regulatory requirements or developments; (xviii) changes to clinical trial designs and regulatory pathways; (xix) changes in capital resource requirements; (xx) risks related to the inability of the combined company to obtain sufficient additional capital to continue to advance its product candidates and its preclinical programs; (xxi) legislative, regulatory, political and economic developments; and (xxii) other factors discussed in the “Risk Factors” section of Sesen Bio’s Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other reports filed with the Securities Exchange Commission (“SEC”). In addition, the forward-looking statements included in this communication represent Sesen Bio’s and Carisma Therapeutics’ views as of the date hereof. Sesen Bio and Carisma Therapeutics anticipate that subsequent events and developments will cause the respective company’s views to change. However, while Sesen Bio may elect to update these forward-looking statements at some point in the future, Sesen Bio specifically disclaims any obligation to do so, except as required under applicable law. These forward-looking statements should not be relied upon as representing Sesen Bio’s views as of any date subsequent to the date hereof.

**Important Additional Information**

In connection with the proposed transaction between Carisma Therapeutics and Sesen Bio, Sesen Bio filed with the SEC a registration statement on Form S-4 (as amended, the "Registration Statement") that includes a proxy statement of Sesen Bio and also constitutes a prospectus of Sesen Bio with respect to shares of Sesen Bio common stock to be issued in the proposed transaction (the "Proxy Statement/Prospectus"). The definitive Proxy Statement/Prospectus was first mailed to Sesen Bio stockholders on or around January 24, 2023. Sesen Bio may also file other relevant documents regarding the proposed transaction with the SEC. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THESE MATERIALS, INCLUDING THE REGISTRATION STATEMENT, THE DEFINITIVE PROXY STATEMENT/PROSPECTUS, AND ALL OTHER RELEVANT DOCUMENTS THAT ARE OR WILL BE FILED WITH THE SEC IN CONNECTION WITH THE PROPOSED TRANSACTION, INCLUDING ANY AMENDMENTS OR SUPPLEMENTS TO THESE MATERIALS, BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND THE PARTIES TO THE PROPOSED TRANSACTION. Investors and security holders are able to obtain the definitive Proxy Statement/Prospectus and other documents that are filed or will be filed by Sesen Bio with the SEC free of charge from the SEC's website at [www.sec.gov](http://www.sec.gov) or from Sesen Bio at the SEC Filings section of [www.sesenbio.com](http://www.sesenbio.com).

**No Offer or Solicitation**

This Current Report on Form 8-K shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended. Subject to certain exceptions to be approved by the relevant regulators or certain facts to be ascertained, a public offer will not be made directly or indirectly, in or into any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction, or by use of the mails or by any means or instrumentality (including without limitation, facsimile transmission, telephone or internet) of interstate or foreign commerce, or any facility of a national securities exchange, of any such jurisdiction.

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**Participants in the Solicitation**

Sesen Bio and Carisma Therapeutics and their respective directors, executive officers and other members of management may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information about Sesen Bio's directors and executive officers is available in Sesen Bio's Annual Report on Form 10-K for the fiscal year ended December 31, 2021, its definitive proxy statement dated April 28, 2022 for its 2022 Annual Meeting of Stockholders and its Current Report on Form 8-K filed with the SEC on August 31, 2022. Other information regarding the participants in the proxy solicitation and a description of their interests in the proposed transaction, by security holdings or otherwise, is included in the definitive Proxy Statement/Prospectus and other relevant materials that are or will be filed with the SEC regarding the proposed transaction. Investors should read the definitive Proxy Statement/Prospectus carefully before making any voting or investment decisions. You may obtain free copies of these documents from Sesen Bio or the SEC's website as indicated above.

**Item 9.01 – Financial Statements and Exhibits.**

(d) Exhibits.

[99.1 Sesen Bio Press Release dated February 2, 2023](#)

[99.2 Sesen Bio Corporate Presentation dated February 2, 2023](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

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**SIGNATURES**

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

**SESEN BIO, INC.**

/s/ Thomas R. Cannell, D.V.M.

Thomas R. Cannell, D.V.M.

President and Chief Executive Officer

Date: February 2, 2023

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**Sesen Bio Files Investor Presentation in Connection with Pending Carisma Therapeutics Merger***Highlights Board's Robust Strategic Review Process and Unanimous Determination that Carisma Merger Maximizes Value for Stockholders**Urges Stockholders to Vote "FOR" Transaction Ahead of Special Meeting of Stockholders on March 2, 2023*

CAMBRIDGE, Mass. – (BUSINESS WIRE) – February 2, 2023 – Sesen Bio, Inc. (NASDAQ: SESN) today filed an investor presentation highlighting its value maximizing merger with Carisma Therapeutics Inc. ("Carisma"). The presentation can be found at [www.SesenBioandCarisma.com](http://www.SesenBioandCarisma.com).

Highlights of the presentation include:

**The merger with Carisma delivers substantial and immediate value for Sesen Bio stockholders, which is meaningfully better than the alternative of dissolution and liquidation**

- o Expected special one-time cash dividend of approximately \$70 million to be paid shortly after (and contingent upon) closing, \$0.34 per share<sup>1</sup>.
- o Additional potential cash upside via Contingent Value Right, including any potential proceeds from any sale of Sesen Bio's legacy assets (including Vicineum) and from the potential \$30 million milestone payment, \$0.14 per share<sup>2</sup>, under the Roche Asset Purchase Agreement.
- o Without the pending merger with Carisma, the most likely and feasible path for Sesen Bio would be a delisting from Nasdaq followed by a court-managed dissolution of the Company and a liquidation of assets.
- o The Sesen Bio Board thoroughly considered dissolution and liquidation and determined there would be significant expense, delay and uncertainty.
- o In a dissolution and liquidation scenario, only approximately 60%-90%<sup>3</sup> of Sesen Bio's cash balance, approximately \$0.40-\$0.60 per share, would be available for an initial distribution, which likely would not be available for six months or more after an additional stockholder vote. The full process could take up to three years in the Delaware court system to fully settle Sesen Bio's potential future and unknown liabilities.

**Sesen Bio conducted a robust strategic review process to maximize stockholder value**

- o The Sesen Bio Board proactively initiated a comprehensive four-month review of strategic options, including evaluating merger, sale of assets, resumption of R&D and dissolution and liquidation of assets and wind-down of Sesen Bio.
- o Conducted outreach to over 100 parties, resulting in 42 bids.
- o Board negotiated with Carisma extensively, including additional due diligence activities with Key Opinion Leaders with expertise in solid tumors and cell therapy to analyze and understand Carisma's pipeline and proprietary cell therapy platform.

<sup>1</sup> Based on basic outstanding shares including unvested RSUs.

<sup>2</sup> Amounts reflect potential payments in the future and have not been discounted. Does not include potential proceeds from the sale of Vicineum or the Company's other legacy assets.

<sup>3</sup> Based on precedent dissolution and liquidation processes and Company projections of potential liabilities and operating expenses.

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**Sesen Bio stockholders stand to benefit from significant potential upside through ownership in combined company**

- o Sesen Bio stockholders immediately benefit from owning 25.2% stake, \$0.40 per share<sup>4</sup>, in the \$357 million<sup>5</sup> combined company with potential for significant long-term upside through Carisma's proprietary CAR-M platform that could transform treatment for patients with cancer and other serious disorders.
- o Combined company will be led by Carisma's Board and management team, which has strong investor support, comprising of leaders within biotech, including AbbVie, Moderna, Wellington and TPG.

Sesen Bio urges stockholders to vote today **"FOR"** the value maximizing transaction with Carisma using the **WHITE** proxy card ahead of the March 2, 2023, Special Meeting of Stockholders.

Sesen Bio stockholders who need assistance voting or have questions regarding the Sesen Bio Special Meeting may contact Sesen Bio's proxy solicitor, MacKenzie Partners, toll-free at 1-800-322-2885 or email at [proxy@mackenziepartners.com](mailto:proxy@mackenziepartners.com).

SVB Securities is acting as exclusive financial advisor to Sesen Bio for the transaction and Hogan Lovells US LLP is serving as its legal counsel.

**About Sesen Bio**

Sesen Bio, Inc. is a late-stage clinical company focused on targeted fusion protein therapeutics for the treatment of patients with cancer. Sesen Bio's most advanced product candidate, Vicineum™, also known as VB4-845, is a locally-administered targeted fusion protein composed of an anti-epithelial cell adhesion molecule antibody fragment tethered to a truncated form of Pseudomonas exotoxin A for the treatment of non-muscle invasive bladder cancer. On July 15, 2022, Sesen Bio made the strategic decision to voluntarily pause further development of Vicineum in the US. The decision was based on a thorough reassessment of Vicineum, which included the incremental development timeline and associated costs for an additional Phase 3 clinical trial, following Sesen Bio's discussions with the United States Food and Drug Administration. Sesen Bio has turned its primary focus to assessing potential strategic alternatives with the goal of maximizing stockholder value. Additionally, Sesen Bio intends to seek a partner for the further development of Vicineum. For more information, please visit the Company's website at [www.sesenbio.com](http://www.sesenbio.com).

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<sup>4</sup> Based on pro forma fully diluted post-close combined company shares outstanding.

<sup>5</sup> Reflects pro forma company value including stated valuation for Sesen Bio, Carisma, and fully diluted value of the Moderna convertible note.

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Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including without limitation: (i) the risk that the conditions to the closing of the proposed transaction are not satisfied, including the failure to obtain stockholder approval of matters related to the proposed transaction in a timely manner or at all; (ii) uncertainties as to the timing of the consummation of the proposed transaction and the ability of each of Sesen Bio and Carisma to consummate the proposed transaction, including completing the concurrent financing; (iii) risks related to Sesen Bio's ability to correctly estimate its expected net cash at closing and Sesen Bio's and Carisma's ability to correctly estimate and manage their respective operating expenses and expenses associated with the proposed transaction; (iv) risks related to Sesen Bio's continued listing on the Nasdaq Stock Market until closing of the proposed transaction; (v) the risk that as a result of adjustments to the exchange ratio, Sesen Bio stockholders or Carisma stockholders could own less of the combined company than is currently anticipated; (vi) the risk that the conditions to payment under the contingent value rights will not be met and that the contingent value rights may otherwise never deliver any value to Sesen Bio stockholders; (vii) risks associated with the possible failure to realize certain anticipated benefits of the proposed transaction, including with respect to future financial and operating results; (viii) uncertainties regarding the impact any delay in the closing would have on the anticipated cash resources of the combined company upon closing and other events and unanticipated spending and costs that could reduce the combined company's cash resources; (ix) the effect of uncertainties related to the actions of activist stockholders, which could make it more difficult to obtain the approval of Sesen Bio stockholders with respect to the transaction related proposals and result in Sesen Bio incurring significant fees and other expenses, including for third-party advisors; (x) the occurrence of any event, change or other circumstance or condition that could give rise to the termination of the merger agreement, as amended; (xi) the effect of the announcement, pendency or completion of the merger on Sesen Bio's or Carisma's business relationships, operating results and business generally; (xii) costs related to the merger; (xiii) the outcome of any legal proceedings instituted against Sesen Bio, Carisma or any of their respective directors or officers related to the merger agreement or the transactions contemplated thereby; (xiv) the ability of Sesen Bio or Carisma to protect their respective intellectual property rights; (xv) competitive responses to the proposed transaction and changes in expected or existing competition; (xvi) the success and timing of regulatory submissions and pre-clinical and clinical trials; (xvii) regulatory requirements or developments; (xviii) changes to clinical trial designs and regulatory pathways; (xix) changes in capital resource requirements; (xx) risks related to the inability of the combined company to obtain sufficient additional capital to continue to advance its product candidates and its preclinical programs; (xxi) legislative, regulatory, political and economic developments; and (xxii) other factors discussed in the "Risk Factors" section of Sesen Bio's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other reports filed with the Securities Exchange Commission (SEC). In addition, the forward-looking statements included in this press release represent Sesen Bio's and Carisma's views as of the date hereof. Sesen Bio and Carisma anticipate that subsequent events and developments will cause the respective company's views to change. However, while Sesen Bio may elect to update these forward-looking statements at some point in the future, Sesen Bio specifically disclaims any obligation to do so, except as required under applicable law. These forward-looking statements should not be relied upon as representing Sesen Bio's views as of any date subsequent to the date hereof.

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**Important Additional Information**

In connection with the proposed transaction between Carisma and Sesen Bio, Sesen Bio filed with the SEC a registration statement on Form S-4 (as amended, the registration statement) that includes a proxy statement of Sesen Bio and also constitutes a prospectus of Sesen Bio with respect to shares of Sesen Bio common stock to be issued in the proposed transaction (proxy statement/prospectus). The definitive proxy statement/prospectus was first mailed to Sesen Bio stockholders on or about January 24, 2023. Sesen Bio may also file other relevant documents regarding the proposed transaction with the SEC. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THESE MATERIALS, INCLUDING THE REGISTRATION STATEMENT, THE DEFINITIVE PROXY STATEMENT/PROSPECTUS, AND ALL OTHER RELEVANT DOCUMENTS THAT ARE OR WILL BE FILED WITH THE SEC IN CONNECTION WITH THE PROPOSED TRANSACTION, INCLUDING ANY AMENDMENTS OR SUPPLEMENTS TO THESE MATERIALS, BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION AND THE PARTIES TO THE PROPOSED TRANSACTION. Investors and security holders are able to obtain the definitive proxy statement/prospectus and other documents that are filed or will be filed by Sesen Bio with the SEC free of charge from the SEC's website at [www.sec.gov](http://www.sec.gov) or from Sesen Bio at the SEC Filings section of [www.sesenbio.com](http://www.sesenbio.com).

**No Offer or Solicitation**

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended. Subject to certain exceptions to be approved by the relevant regulators or certain facts to be ascertained, a public offer will not be made directly or indirectly, in or into any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction, or by use of the mails or by any means or instrumentality (including without limitation, facsimile transmission, telephone or internet) of interstate or foreign commerce, or any facility of a national securities exchange, of any such jurisdiction.

**Participants in the Solicitation**

Sesen Bio and Carisma and their respective directors, executive officers and other members of management may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information about Sesen Bio's directors and executive officers is available in Sesen Bio's Annual Report on Form 10-K for the fiscal year ended December 31, 2021, its definitive proxy statement dated April 28, 2022 for its 2022 Annual Meeting of Stockholders and its Current Report on Form 8-K filed with the SEC on August 31, 2022. Other information regarding the participants in the proxy solicitation and a description of their interests in the proposed transaction, by security holdings or otherwise, is included in the definitive proxy statement/prospectus and other relevant materials that are or will be filed with the SEC regarding the proposed transaction. Investors should read the definitive proxy statement/prospectus carefully before making any voting or investment decisions. You may obtain free copies of these documents from Sesen Bio or the SEC's website as indicated above.

**Investors:**

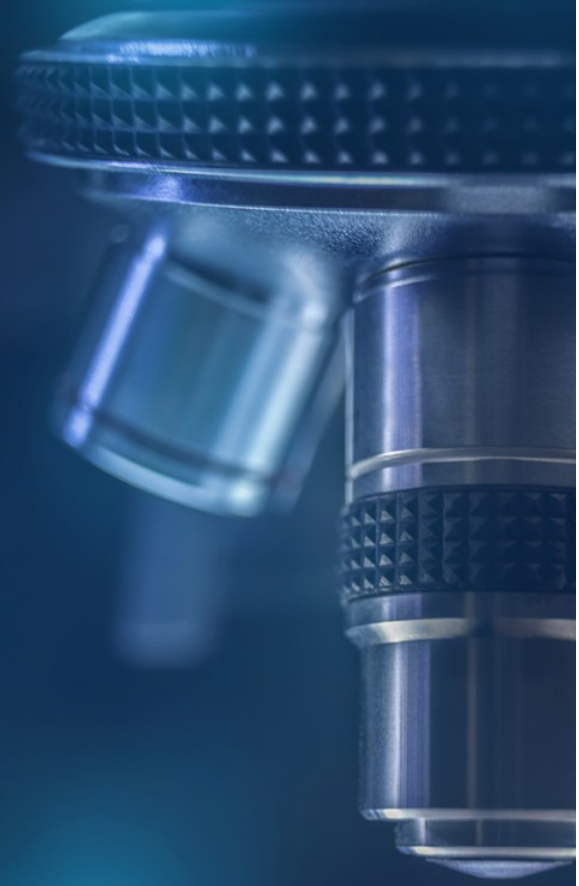
Erin Clark, Vice President, Corporate Strategy & Investor Relations  
[ir@sesenbio.com](mailto:ir@sesenbio.com)

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# Maximizing Value for Sesen Bio Stockholders

February 2023



# Forward-Looking Statements and Additional Disclaimers

## Forward-Looking Statements

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## Important Additional Information

In connection with the proposed transaction between Carisma and Sesen Bio, Sesen Bio filed with the SEC a registration statement on Form S-4 (as amended, the registration statement) that includes a proxy statement/prospectus of Sesen Bio with respect to shares of Sesen Bio common stock to be issued in the proposed transaction (proxy statement/prospectus). The definitive proxy statement/prospectus was first made available to stockholders on or about January 24, 2023. Sesen Bio may also file other relevant documents regarding the proposed transaction with the SEC. INVESTORS AND SECURITY HOLDERS ARE URGED TO READ THESE MATERIALS, INCLUDING THE REGISTRATION STATEMENT, THE DEFINITIVE PROXY STATEMENT/PROSPECTUS, AND ALL OTHER RELEVANT DOCUMENTS THAT ARE OR WILL BE FILED WITH THE SEC IN CONNECTION WITH THE PROPOSED TRANSACTION, INCLUDING ANY AMENDMENTS OR SUPPLEMENTS TO THESE MATERIALS, BECAUSE THEY CONTAIN OR WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Investors and security holders are able to obtain the definitive proxy statement/prospectus and other documents that are filed or will be filed by Sesen Bio with the SEC from the SEC's website at [www.sec.gov](http://www.sec.gov) or from Sesen Bio at the SEC Filings section of [www.sesenbio.com](http://www.sesenbio.com).

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This communication shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful under the securities laws of any such jurisdiction. No offering of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933. Subject to certain exceptions to be approved by the relevant regulators or certain facts to be ascertained, a public offer will not be made directly or indirectly, in or into any jurisdiction where to do so would constitute a violation of such jurisdiction, or by use of the mails or by any means or instrumentality (including without limitation, facsimile transmission, telephone or internet) of interstate or foreign commerce, or any facility of a national securities exchange or any such jurisdiction.

## Participants in the Solicitation

Sesen Bio and Carisma and their respective directors, executive officers and other members of management may be deemed to be participants in the solicitation of proxies in respect of the proposed transaction. Information regarding Sesen Bio's directors and executive officers is available in Sesen Bio's Annual Report on Form 10-K for the fiscal year ended December 31, 2021, its definitive proxy statement dated April 28, 2022 for its 2022 Annual Meeting of Stockholders and its Current Report on Form 8-K filed with the SEC on August 31, 2022. Other information regarding the participants in the proxy solicitation and a description of their interests in the proposed transaction, by security holders, is included in the definitive proxy statement/prospectus and other relevant materials that are or will be filed with the SEC regarding the proposed transaction. Investors should read the definitive proxy statement/prospectus and other relevant materials before making any voting or investment decisions. You may obtain free copies of these documents from Sesen Bio or the SEC's website as indicated above.

# Sesen Bio-Carisma Merger Delivers Compelling Value to Stockholders <sup>S</sup>



## Substantial and Immediate Value

- Expected ~**\$70M** special cash dividend to be paid shortly after (and contingent upon) closing
- Stockholders will benefit from any potential proceeds from **any sale of Sesen Bio's legacy assets** (including Vicineum)<sup>1</sup> and from the **potential \$30M milestone payment** under the Roche Asset Purchase Agreement<sup>2</sup>



## Robust Strategic Alternatives Review Process

- Proactively initiated **comprehensive review of strategic options**; evaluated merger, sale of assets, resumption of R&D and dissolution and liquidation of assets and wind-down of Sesen Bio
- Conducted over four months; outreach to **100+ companies, resulting in 42 bids**
- Extensive negotiations with Carisma to **maximize value**
- Thoroughly considered dissolution and liquidation; determined significant time, expense and uncertainty



## Long-Term Through Company

- Sesen Bio stockholders immediately own **25.2% of Carisma** with a **\$357M combined company value**<sup>3</sup>
- Significant long-term upside from Carisma's **proprietary C platform**, entirely novel immunotherapy approach with potential to change the landscape for cancer and other serious diseases
- Led by Carisma Board and management team with significant investor support

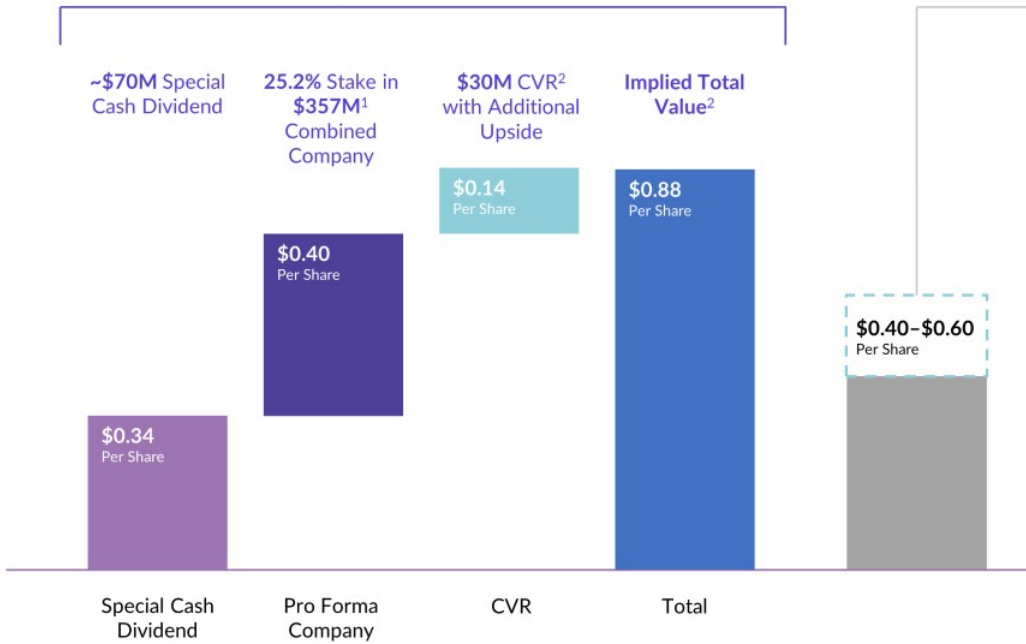
<sup>1</sup> Any such sales must occur prior to December 31, 2023 in order for potential proceeds to be distributed to stockholders

<sup>2</sup> Amounts reflect potential payments in the future and have not been discounted.

<sup>3</sup> Reflects pro forma company value including stated valuation for Sesen Bio, Carisma, and fully diluted value of the Moderna convertible note

# Transaction Delivers Near-Term Value and Long-Term Upside, Meaningfully Better Than the Alternative

## Carisma Merger



### Dissolution and Liquidation

#### Additional Expense and Claims

- Only ~60-90%<sup>3</sup> of cash balance expected for initial distribution to stockholders
- Remaining amount would fund win and reserves for current, potential liabilities

#### Long Delay

- Up to **six months or more** after a vote to approve dissolution and liquidation
- Up to **three years** to fully settle all claims

#### Significant Uncertainty

- Near-term special cash dividend with transaction **extremely unlikely** outside of dissolution process
- Amount and timing of an initial distribution during dissolution and liquidation process

<sup>1</sup> Reflects pro forma company value including stated valuation for Sesen Bio, Carisma, and fully diluted value of the Moderna convertible note

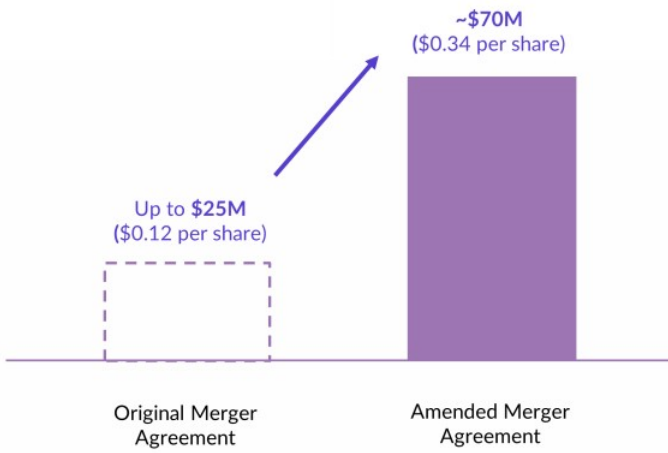
<sup>2</sup> Amounts reflect potential payments in the future and have not been discounted. Does not include potential proceeds from Vicineum or the Company's other legacy assets

<sup>3</sup> Based on precedent liquidation processes and Company projections of potential liabilities and operating expenses

<sup>4</sup> Assumes stockholder approval of dissolution in 2Q 2023 and a cash balance of approximately \$140 million

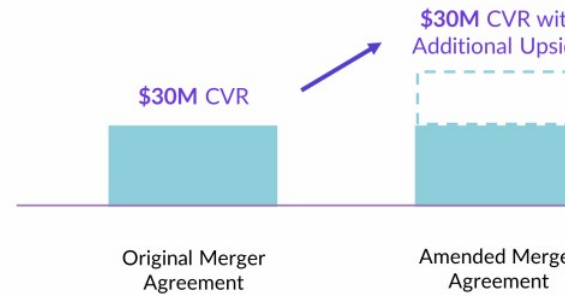
# Sesen Bio Engaged Extensively with Stockholders and Delivered Enhanced Economic Terms for our Stockholders under the Amended Merger Agreement...

## Enhanced Special Cash Dividend



## Expanded CVR

- Original agreement included potential \$30M milestone pay Roche Asset Purchase Agreement<sup>1</sup>
- Expanded to include proceeds from any sale of Vicineum an Sesen Bio legacy assets + the potential \$30M milestone pay Roche Asset Purchase Agreement (\$0.14/share)<sup>1</sup>



Amended merger agreement delivers **even greater value** in connection with closing

<sup>1</sup> Amounts reflect potential payments in the future and have not been discounted. Does not include potential proceeds from the sale of Vicineum or the Company's other legacy assets

## ... However Investor Group was Unwilling to Budge Meaningfully

### Increasing Dividend Offers



- Attempts to engage with Investor Group were driven by belief that an amicable resolution and successful transaction are in the best interest of stockholders
- Sesen Bio negotiated with Carisma to deliver what stockholders wanted – additional direct and immediate cash value at closing

### Investor Group Dividend Offers



- Investor Group continues to be opportunistic and single m unwilling to budge from an unrealistic distribution scenari

Engaged extensively with Investor Group and negotiated heavily with Carisma to reach ~\$70M special dividend, \$45M increase from original merger agreement

## Transaction Compares Favorably to Precedent Reverse Merger Transactions

|  | Average*             | Sesen Bio-Ca |
|--|----------------------|--------------|
| Ownership percentage of reverse merger company                     | 30%                  | 25.2%        |
| Reverse merger company value                                       | \$13.3M <sup>1</sup> | \$15M        |
| Cash contribution from reverse merger company to pro forma company | 52%                  | 50%          |
| Expected cash dividend issued in connection with transaction       | \$0                  | ~\$70M       |
| Number of bidders  | 12                   | 42           |

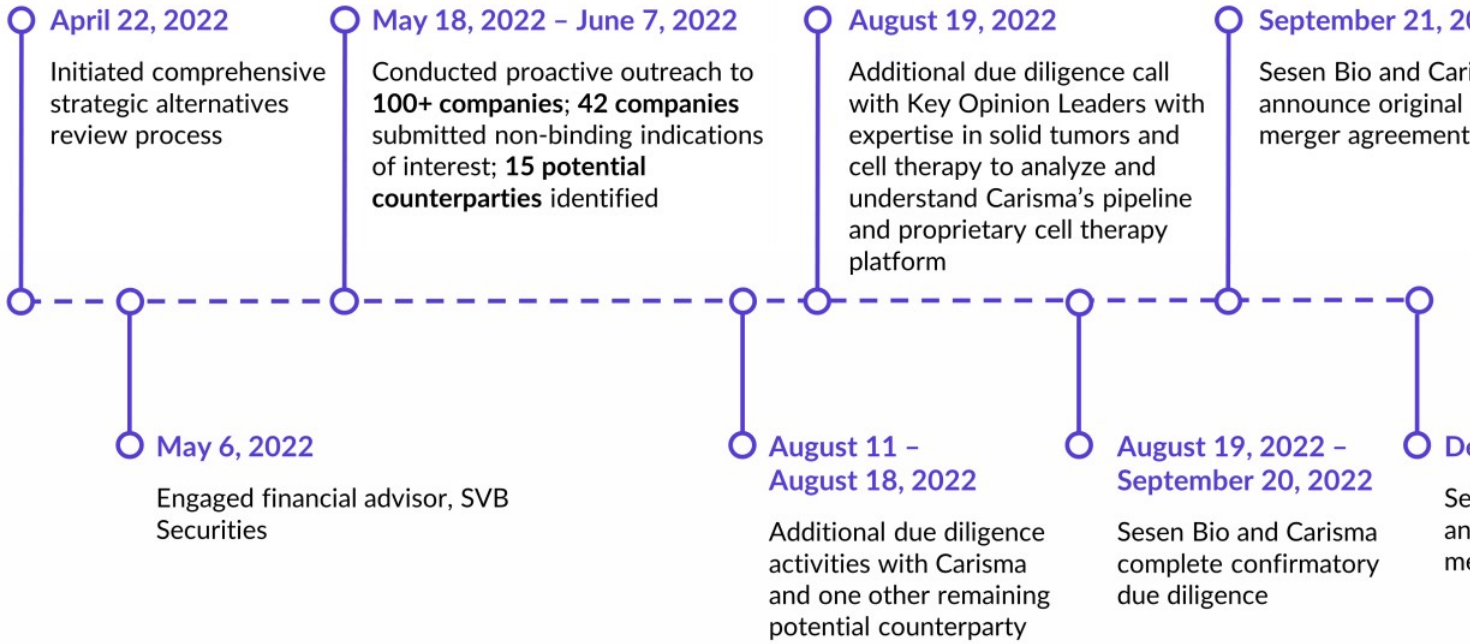
Four-month strategic review process spanned 12 Board meetings

\*Source: SEC filings of reverse merger transactions 2020-2022

<sup>1</sup> Average is of the 42 bids received



# Sesen Bio Conducted Robust Four-Month Strategic Review Process



Independent and value creation focused Board with **decades of experience in leadership positions within life sciences and biotech and significant transaction experience**

# Sesen Bio is Engaging in Formal Sale Process For Vicineum

**July 2022:** Completed thorough reassessment of Vicineum program and determined to pause further development

- Analysis included evaluation of incremental development timeline and associated costs for additional Phase 3 clinical trial for treatment of non-muscle invasive bladder cancer based on FDA input from four key meetings
- Estimated additional clinical trial size of ~1,000 patients, costing at least \$200M and delay potential launch until at least 2030
- Negative return for program with dilution to existing stockholders outpacing estimated growth in company value

**October 2022:** With assistance of a financial advisor, initiated formal process for potential sale of Vicineum to a partner with larger infrastructure and potential synergies

- **Contacted nearly 60 companies** and engaged in follow-up discussions; continuing to assess counterparties to realize any potential value for Vicineum and other legacy assets

**Today:** Given ongoing discussions with potential partners, completing a sale will be challenging; amended to ensure any potential proceeds from sale of Vicineum or other legacy assets would go directly to Sesen Bio stockholders

\$0.88 implied per share value of pending merger with Carisma does not reflect any additional potential value from the sale of Vicineum or other legacy assets. **Any proceeds received from a potential sale would be additional upside for Sesen Bio stockholders.**

## The Investor Group is Not Acting in The Best Interests of All Stockholders

- **Built current position after merger was announced.** Investor Group failed to articulate a plan for the Company beyond rejecting the merger. They also refused multiple opportunities to meet Carisma management team about pipeline and growth prospects
  - **Sesen Bio Board and management team actively worked to reach an amicable resolution because we believe in stockholders' best interests.** Amended merger agreement increased expected special cash dividend by more than 180%. Sesen Bio increased the cash dividend three times as part of negotiations, offering ~\$40M, ~\$65M. Company landed on the ~\$70M special cash dividend
  - **Sesen Bio Board responded to Investor Group's request for advisory role.** In written and verbal correspondence, the Investor Group expressed interest in an advisory role. Sesen Bio offered to discuss advisor role for the principals of the Investor Group as additional CEO advisors
  - **Sesen Bio Board responded to Investor Group's request for fee reimbursement.** Investor Group repeated requests for reimbursement of fees. Sesen Bio offered to discuss reimbursement of legal fees and expenses as part of a settlement agreement, as is customary and standard in such agreements
-

# Extensive Good Faith Negotiations with Investor Group in Direct Response to Requests



Increased special dividend three times as part of negotiations, increasing it by more than 180%

# Carisma: Significant Opportunity to Become Breakthrough Therapeutics Company

## Carisma Highlights

*Carisma's Mission is to Develop Transformative Macrophage Targeted Therapies for Patients with Devastating Diseases*

### Cutting edge research and bioengineering:

- Proprietary platform for macrophage targeted therapies
- First-in-human study of CAR-Macrophages
- Autologous/ allogeneic/ in-vivo modalities
- Broad potential therapeutic applications, in oncology and beyond

**Strong patent position** covering all CAR-M therapies, with strong backing by strategic partners Moderna, AbbVie and Merck

**Early clinical data** for lead program demonstrating feasibility, tolerability, and MoA in HER2 tumors

**Validating partnership with Moderna** to develop up to 12 in-vivo cancer therapies with \$45M cash plus \$35M equity in a convertible note), full R&D funding, and potential significant milestones and royalties

**Multiple** potential value inflection points expected over next 18 months and anticipated release of additional data in mid-2023, which could provide a relatively near-term catalyst for stock price

# Carisma: Valuation is Attractive and Supported by Rigorous Analysis and Strategic Rationale

## Attractive Discounted Cash Flow Value

Implied equity value<sup>1</sup> range of ~\$225M to ~\$335M, above \$196M proposed Carisma valuation<sup>2</sup>

## Leader in the CAR-M Space

Believed to be the only company to have demonstrated proof of mechanism and safety data in this therapy through human clinical trials

## Strategic Attractiveness to Leading Biopharma Companies

The Company's CAR-M technology has broad applicability across multiple tumor types and has attracted strategic interest from leading biotechnology and pharmaceutical companies including Moderna, Novartis, AbbVie, and Merck

## Significant Upcoming Value Inflection Points

Several upcoming value inflection points expected over next 18 months, including multiple clinical readouts, including the CAR-M clinical trial which is expected in mid-2023

Source: Sesen Bio Definitive Proxy Statement (1/19/23), Company website

<sup>1</sup> Range of implied Carisma equity value per discounted cash flow analysis of SVB Securities as set forth in the definitive proxy statement/prospectus filed by Sesen Bio with the SEC on January 19, 2023

<sup>2</sup> Per Merger Agreement

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# Carisma: Strong Patent Position: Broad Coverage for Monocyte and Macrophage Targeted Therapies

Worldwide patent coverage with issued and pending applications in major markets

Multiple issued U.S. patents covering CAR-M composition of matter

## Broad patent portfolio covering:

- Viral and non-viral methods for engineering monocytes and macrophages
- Methods for treatment of protein aggregate disorders
- Methods for in-vivo targeting of monocytes and macrophages

**15**

Patents granted  
worldwide

**40+**

Patent applications  
pending worldwide\*

CAR-M = Chimeric Antigen Receptor Macrophage

\* Total includes Carisma-owned patents and patents exclusively licensed from The University of Pennsylvania and New York University

# Carisma: Moderna Partnership Validates Approach and Provides Significant Potential Value Inflection Points

## Broad partnership to develop mRNA based in vivo CAR-M for oncology

- Multi-year collaboration with options for up to 12 oncology targets
- Carisma receives \$45M up-front cash and \$35M equity in a convertible note
- Moderna provides full research funding, technology & expertise
- Carisma eligible for significant milestone and royalty payments

## Promising data emerging with rapid execution on lead programs

- Multiple development programs initiated, with goal of adding 2-3 new programs/year
- LNP delivery demonstrating high specificity to myeloid cells and ability to re-dose
- High CAR expression, viability, and CAR-M function
- Animal studies initiated with PoC data expected in Q1 2023





# Carisma: Strong Leadership Team and Advisors

## Board of Directors

- Steve Kelly – President & CEO
- Sanford Zweifach – Chairperson
- Briggs Morrison – Independent Director
- Margarita Chavez – AbbVie Ventures
- Bjorn Odlander – HealthCap
- Regina Hodits – Wellington Partners
- Chidozie Ugwumba – SymBiosis

## Key Advisors

- Saar Gill, MD, PhD – Penn (Co-Founder, Co-Inventor)
- Carl June, MD – Penn (Co-Inventor)
- Hyam Levitsky, MD – Century Tx
- Lisa Coussens, PhD – OHSU
- Prasad S. Adusmilli, MD FACS – MSKCC
- Nina Bhardwaj, MD, PhD – Mt Sinai
- Dr. Padmanee Sharma – MD, PhD – MD Anderson
- Reinhard Andreesen – MD, PhD
- S. Jane Flint – PhD

## Carisma’s Management Team



**STEVEN KELLY**  
President & CEO



**MICHAEL KLICHINSKY, PHD**  
Co-Founder & CSO



**DANIEL CUSHING, PHD**  
Chief Technology & Development Officer

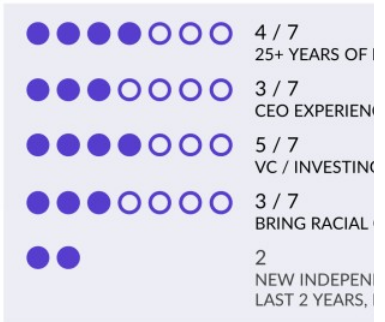


**RICHARD MORRIS**  
Chief Financial Officer



**TOM WILTON**  
Chief Business Officer

- Combined company led by Carisma management team, which has extensive experience and a strong track record of drug development
- Steven Kelly named Ernst & Young the Year 2022 Greater Philadelphia
- Michael Klichinsky is co-founder of University of Pennsylvania
- Team has strong investor support, including leaders within biotech, including AstraZeneca, Wellington and TPG



# Maximizing Value for Sesen Bio Stockholders

- ✓ **Board conducted robust process and no stone was left unturned.** Contacted **100+ parties**. Explored every possible scenario. Every time, the pending merger with Carisma delivered the most value for stockholder
- ✓ **This is the best available option for stockholders:** Only remaining viable alternative is a court-managed dissolution and liquidation scenario, which would deliver less value and take longer, potentially taking years to complete.
- ✓ **Investor Group is not acting in stockholders' best interests:** Sesen Bio believes that Investor Group is **opportunistic and minded**, is motivated by **financial speculation** and **continues to spread misinformation**. Board has engaged in good faith mutually agreeable resolution to no avail.



## Substantial and Immediate Value

- Expected **~\$70M** special cash dividend to be paid shortly after (and contingent upon) closing
- Stockholders will benefit from any potential proceeds from **any sale of Sesen Bio's legacy assets** (including Vicineum) and from the **potential \$30M milestone payment<sup>1</sup>** under the Roche Asset Purchase Agreement



## Robust Strategic Alternatives Review Process

- Proactively initiated **comprehensive review of strategic options**
- Conducted over four months; outreach to **100+ companies, resulting in 42 bids**
- Extensive negotiations with Carisma to **maximize value**



## Long-term Ownership Through Company Ownership

- Sesen Bio stockholders to inherit **25.2% stake in \$357M combined company**
- Significant long-term upside from Carisma's **proprietary CAR-1**
- Led by Carisma Board and management with strong investor support

<sup>1</sup> Amounts reflect potential payments in the future and have not been discounted.

<sup>2</sup> Reflects pro forma company value including stated valuation for Sesen Bio, Carisma, and fully diluted value of the Moderna convertible note.