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): August 26, 2021

HUMACYTE, INC.

(Exact name of registrant as specified in its charter)

Delaware	**001-39532**	**85-1763759**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

2525 East North Carolina Highway 54 Durham, North Carolina	**27713**
(Address of principal executive offices)	(Zip Code)

(919) 313-9633
(Registrant's telephone number, including area code)

Alpha Healthcare Acquisition Corp.
1177 Avenue of the Americas, 5th Floor
New York, New York 10036
(Former name or former address, if changed since last report)

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

☐ Written communication 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-commencements 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 Symbols**	**Name of each exchange on which registered**
Common Stock, par value $0.0001 per share	**HUMA**	**The Nasdaq Stock Market LLC**
Redeemable Warrants, each whole warrant exercisable for one share of Common Stock at an exercise price of $11.50	**HUMAW**	**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).

☐ 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.

Introductory Note

On August 26, 2021 (the "Closing Date"), Alpha Healthcare Acquisition Corp., a Delaware corporation and our predecessor company ("AHAC"), consummated the previously announced business combination (the "Business Combination") pursuant to the terms of the Business Combination Agreement, dated as of February 17, 2021 (the "Business Combination Agreement"), by and among AHAC, Hunter Merger Sub, Inc., a Delaware corporation ("Merger Sub") and Humacyte, Inc., a Delaware corporation ("Legacy Humacyte"). Pursuant to the Business Combination Agreement, on the Closing Date, (i) AHAC changed its name to "Humacyte, Inc." ("New Humacyte" or "Humacyte"), and (ii) Merger Sub merged with and into Legacy Humacyte, with Legacy Humacyte as the surviving company in the Business Combination. After giving effect to such Business Combination, Legacy Humacyte became a wholly owned subsidiary of New Humacyte and changed its name to "Humacyte Global, Inc."

Pursuant to the Business Combination Agreement, at the effective time of the Business Combination (the "Effective Time"), (i) each outstanding share of common stock of Legacy Humacyte (the "Legacy Humacyte common stock") was converted into the right to receive 0.26260 shares of common stock, par value $0.0001 per share, of New Humacyte (the "Common Stock"); (ii) each outstanding share of preferred stock of Legacy Humacyte was converted into the right to receive the aggregate number of shares of Common Stock that would be issued upon conversion of the underlying Legacy Humacyte common stock, multiplied by 0.26260; and (iii) each outstanding option and warrant to purchase Legacy Humacyte common stock was converted into an option or warrant, as applicable, to purchase a number of shares of Common Stock equal to the number of shares of Legacy Humacyte common stock subject to such option or warrant multiplied by 0.26260.

The foregoing description of the Business Combination Agreement and the Business Combination does not purport to be complete and is qualified in its entirety by the full text of the Business Combination Agreement, a copy of which is attached hereto as Exhibit 2.1 and is incorporated herein by reference.

In connection with the Business Combination, on February 17, 2021, AHAC entered into Subscription Agreements (collectively, the "Subscription Agreements") with certain investors (collectively, the "PIPE Investors") pursuant to which, among other things, the PIPE Investors subscribed to purchase an aggregate of 17,500,000 shares of Class A common stock of AHAC (together, the "PIPE Investment") for a purchase price of $10.00 per share, or an aggregate purchase price of $175,000,000, which shares were issued immediately prior to the Effective Time.

The foregoing description of the Subscription Agreements and the PIPE Investment does not purport to be complete and is qualified in its entirety by the full text of the form of Subscription Agreement, a copy of which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

Unless the context otherwise requires, "we," "us" and "our" refer to Humacyte, Inc., a Delaware corporation. All references herein to the "Board" refer to the board of directors of Humacyte.

Item 1.01. Entry into a Material Definitive Agreement.

Indemnification Agreements

At the Effective Time, Humacyte entered into indemnification agreements with each of its directors and executive officers. These indemnification agreements provide the directors and executive officers with contractual rights to indemnification and the advancement of certain expenses incurred by each such director or executive officer in any action or proceeding arising out of his or her services as one of Humacyte's directors or executive officers.

The foregoing description of the indemnification agreements does not purport to be complete and is qualified in its entirety by the full text of the form of indemnification agreement, a copy of which is attached hereto as Exhibit 10.13 and is incorporated herein by reference.

Investor Rights and Lock-up Agreement

At the Effective Time, AHAC and certain of the Legacy Humacyte stockholders and AHAC stockholders entered into an Investor Rights and Lock-up Agreement (the "Investor Rights and Lock-up Agreement"), pursuant to which, among other things, such stockholders (i) agreed not to effect any sale or distribution of any shares held by any of them during the one-year lock-up period, subject to certain exceptions described below, and (ii) were granted certain registration rights with respect to certain securities held by them. Pursuant to the Investor Rights and Lock-up Agreement, AHAC Sponsor LLC and Terrence L. Carlson, Brian Robertson, Bruce A. Springer and Kevin Xie, directors of AHAC prior to the Business Combination, have, for a period of 10 years, unless such stockholders cease to collectively own at least 5% of the Common Stock at an earlier date, the right to designate, and the Board will nominate, one individual for election to the Board. In connection with the closing of the Business Combination, these stockholders designated Rajiv Shukla for election to the Board.

If the volume weighted average price of the Common Stock on the national securities exchange on which the Common Stock is then traded is greater than or equal to $15.00 over any 20 trading days within any 30 trading day period following the Closing, then, commencing at least 180 days after the Closing, the lock-up period shall be deemed to have expired with respect to 50% of the shares of the Common Stock held by each party subject to the Investor Rights and Lock-up Agreement. The lock-up period does not apply to any shares purchased in the PIPE Investment by parties to the Investor Rights and Lock-up Agreement.

The foregoing description of the Investor Rights and Lock-up Agreement does not purport to be complete and is qualified in its entirety by the full text of the form of Investor Rights and Lock-up Agreement, a copy of which is filed herewith as Exhibit 10.2 and is incorporated herein by reference.

Lock-Up Agreement

At the Effective Time, certain Legacy Humacyte stockholders and option holders who did not enter into the Investor Rights and Lock-up Agreement entered into a lock-up agreement (the "Lock-up Agreement") restricting their ability to transfer certain securities. The Lock-up Agreement has substantially the same terms as the lock-up provision contained in the Investor Rights and Lock-up Agreement, described above.

The foregoing description of the Lock-Up Agreement does not purport to be complete and is qualified in its entirety by the full text of the form of Lock-up Agreement, a copy of which is filed herewith as Exhibit 10.3 and is incorporated herein by reference.

Item 2.01. Completion of Acquisition or Disposition of Assets.

Reference is made to the disclosure described in the "Introductory Note" of this Current Report on Form 8-K (this "Current Report"), which is incorporated herein by reference.

FORM 10 INFORMATION

Item 2.01(f) of Form 8-K states that if the predecessor registrant was a "shell company" (as such term is defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), as AHAC was immediately before the Business Combination, then the registrant must disclose the information that would be required if the registrant were filing a general form for registration of securities on Form 10. As a result of the consummation of the Business Combination, and as discussed below in Item 5.06 of this Current Report, Humacyte has ceased to be a shell company. Accordingly, Humacyte is providing the information below that would be included in a Form 10 if Humacyte were to file a Form 10. Please note that the information provided below relates to Humacyte as the combined company after the consummation of the Business Combination, unless otherwise specifically indicated or the context otherwise requires.

Forward-Looking Statements

This Current Report contains statements that are forward-looking and as such are not historical facts. This includes, without limitation, statements regarding the financial position, business strategy and the plans and objectives of management for future operations. These statements constitute projections, forecasts and forward-looking statements, and are not guarantees of performance. Such statements can be identified by the fact that they do not relate strictly to historical or current facts. When used in this Current Report, words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "strive," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. When we discuss our strategies or plans, we are making projections, forecasts or forward-looking statements. Such statements are based on the beliefs of, as well as assumptions made by and information currently available to, our management.

Forward-looking statements in this Current Report may include, for example, statements about:

- our ability to recognize the anticipated benefits of the Business Combination, which may be affected by, among other things, competition and our ability to grow and manage growth profitably;
- the anticipated growth rate and market opportunities of Humacyte following the Business Combination;
- our ability to maintain the listing of our securities on the Nasdaq Global Select Market ("Nasdaq");
- the potential liquidity and trading of our securities;
- our ability to raise financing in the future;
- our plans and ability to execute product development, process development, preclinical development efforts successfully and on our anticipated timelines;
- our ability to use our proprietary scientific technology platform to build a pipeline of additional product candidates;
- our plans and ability to obtain marketing approval from the U.S. Food and Drug Administration ("FDA") and other regulatory authorities, including the European Medicines Agency ("EMA"), for our bioengineered human, acellular tissue-based vessels ("HAVs") and other product candidates;
- our ability to design, initiate and successfully complete clinical trials and other studies for our product candidates and our plans and expectations regarding our ongoing or planned clinical trials, including for our ongoing V005 Phase II/III clinical trial and V007 Phase III clinical trial;
- our plans and ability to commercialize our HAVs and other product candidates, if approved by regulatory authorities;
- the expected size of the target populations for our product candidates;
- our assessment of the competitive landscape;
- the degree of market acceptance of HAVs, if approved, and the availability of third-party coverage and reimbursement;
- our ability to manufacture HAVs and other product candidates in sufficient quantities to satisfy our clinical trial and commercial needs;

- our expectations regarding our strategic partnership with Fresenius Medical Care Holdings, Inc. ("Fresenius Medical Care") to sell, market and distribute our 6 millimeter HAV for certain specified indications;
- the performance of other third parties on which we rely, including our third-party manufacturers, our licensors, our suppliers and the organizations conducting our clinical trials;
- our ability to obtain and maintain intellectual property protection for our product candidates as well as our ability to operate our business without infringing, misappropriating or otherwise violating the intellectual property rights of others;
- our ability to maintain the confidentiality of our trade secrets, particularly with respect to our manufacturing process;
- our compliance with applicable laws and regulatory requirements, including FDA regulations, healthcare laws and regulations, and anti-corruption laws;
- the financial forecasted information relating to our future business operations and our expectations around the market opportunity for our product candidates;
- our ability to attract, retain and motivate qualified personnel and to manage our growth effectively;
- our future financial performance and capital requirements;
- our ability to implement and maintain effective internal controls; and
- the impact of the COVID-19 pandemic on our business, including our manufacturing efforts, and our preclinical and clinical studies and preclinical and clinical trials.

We caution you that the foregoing list may not contain all of the forward-looking statements made in this Current Report.

These forward-looking statements are only predictions based on our current expectations and projections about future events and are subject to a number of risks, uncertainties and assumptions, including those described in "Risk Factors" and elsewhere in this Current Report. Moreover, we operate in a competitive industry, and new risks emerge from time to time. It is not possible for the management of Humacyte to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Current Report may not occur, and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements in this Current Report.

The forward-looking statements included in this Current Report are made only as of the date hereof. You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in our forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Humacyte does not undertake any obligation to update publicly any forward-looking statements for any reason after the date of this Current Report to conform these statements to actual results or to changes in expectations, except as required by law.

You should read this Current Report and the documents that have been filed as exhibits hereto with the understanding that the actual future results, levels of activity, performance, events and circumstances of Humacyte may be materially different from what is expected.

Business

Humacyte is pioneering the development and manufacture of off-the-shelf, universally implantable, bioengineered human tissues with the goal of improving the lives of patients and transforming the practice of medicine. We believe our technology has the potential to overcome limitations in existing standards of care and address the lack of significant innovation in products that support tissue repair, reconstruction and replacement. We are leveraging our novel, scalable technology platform to develop proprietary, bioengineered, acellular human tissues for use in the treatment of diseases and conditions across a range of anatomic locations in multiple therapeutic areas.

We are initially using our proprietary, scientific technology platform to engineer and manufacture HAVs. Our investigational HAVs are designed to be easily implanted into any patient without inducing a foreign body response or leading to immune rejection. We are developing a portfolio, or "cabinet", of HAVs with varying diameters and lengths. The HAV cabinet would initially target the vascular repair, reconstruction and replacement market, including trauma; arteriovenous ("AV") access for hemodialysis; peripheral arterial disease ("PAD"); and coronary artery bypass grafting ("CABG"). In addition, we are developing our HAVs for pediatric heart surgery and the delivery of cellular therapies, including pancreatic islet cell transplantation to treat Type 1 diabetes. We will continue to explore the application of our technology across a broad range of markets and indications including the development of urinary conduit, trachea, esophagus and other novel cell delivery systems.

There is substantial clinical demand for safe and effective vascular conduits to replace and repair blood vessels throughout the body. Vascular injuries resulting from trauma are common in civilian and military populations, frequently resulting in the loss of either life or limb. Existing treatment options in the vascular repair, reconstruction and replacement market include the use of autologous vessels and synthetic grafts, which we believe suffer from significant limitations. For example, the use of autologous veins to repair traumatic vascular injuries can lead to significant morbidity associated with the surgical wounds created for vein harvest and prolonged times to restore blood flow to injured limbs, leading to an increased risk of amputation and infection. Synthetic grafts are often contraindicated in the setting of vascular trauma due to higher infection risk that can lead to prolonged hospitalization and limb loss. Given the competitive advantages our HAVs are designed to have over existing vascular substitutes, we believe that HAVs have the potential to become the standard of care and lead to improved patient outcomes and lower healthcare costs.

As of May 26, 2021, our HAVs have been implanted in approximately 435 patients. We are currently conducting Phase II and Phase III trials of our 6 millimeter HAV across two therapeutic indications, vascular trauma and AV access for hemodialysis, as well as continuing long-term follow up of patients in our Phase II PAD studies. We were granted Fast Track designation by the FDA for our 6 millimeter HAV for use in AV access for hemodialysis in 2014. We also received the first Regenerative Medicine Advanced Therapy designation from the FDA, for the creation of vascular access for performing hemodialysis, in March 2017. In addition, in 2018 our HAV product candidate was assigned a priority designation by the Secretary of Defense under Public Law 115-92, enacted to expedite the FDA's review of products that are intended to diagnose, treat or prevent serious or life-threatening conditions facing American military personnel. Upon completion of our Phase III trials, we intend to submit a Biologics License Application to the FDA for indications in vascular trauma in 2022 and AV access for hemodialysis in 2023.

We have developed a novel paradigm for manufacturing human tissues that is intended to mimic key aspects of human physiology. We have an 83,000 square foot bioprocessing facility housing our modular manufacturing process with the ability to manufacture HAVs of different diameters and lengths at commercial scale. As we continue to expand production, we believe we will have the ability to take advantage of economies of scale to reduce costs of production. We believe our established, controlled manufacturing process demonstrates a significant competitive advantage in the regenerative medicine market.

Our technology is protected by our patent portfolio. Our patent portfolio, which includes certain patents licensed from parties as well as intellectual property generated internally at Humacyte, is composed of 15 families of patents, many of which generally relate to the scaffolds used to make our vessels, the composition of our vessels and systems and methods of manufacturing our vessels.

We intend to continue to shape our commercial and distribution strategy by indication and pursue collaborations with partners in markets where such partners provide strategic opportunities in launching our product candidates and enabling access to specific patient populations.

Our world-class senior management team and our Board will be instrumental in helping us achieve our goals. Our President and Chief Executive Officer, Laura Niklason M.D., PhD., who founded Legacy Humacyte, is an internationally respected physician scientist and a world leader in regenerative medicine technologies. Dr. Niklason is also a member of three national academies — Inventors, Medicine and Engineering.

Reference is made to disclosure regarding our business described in the definitive proxy statement/prospectus (the "Proxy Statement/Prospectus") filed pursuant to Rule 424(b)(3) with the Securities and Exchange Commission (the "SEC") on August 4, 2021 in the section entitled "Information about Humacyte—Business Overview," beginning on page 168 of the Proxy Statement/Prospectus, which is incorporated herein by reference.

Risk Factors

Reference is made to the section of the Proxy Statement/Prospectus entitled "Risk Factors" beginning on page 25 of the Proxy Statement/Prospectus, which is incorporated herein by reference.

Financial Information

Selected Historical Financial Information

Reference is made to the disclosure in Item 9.01 of this Current Report, which is incorporated herein by reference.

Unaudited Financial Statements

The unaudited financial statements as of and for the six months ended June 30, 2021 and 2020 of Legacy Humacyte set forth in Exhibit 99.1 hereto have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and pursuant to the regulations of the SEC. The unaudited financial information reflects, in the opinion of management of Legacy Humacyte, all adjustments, consisting of normal recurring adjustments, considered necessary for a fair statement of Legacy Humacyte's financial position, results of operations and cash flows for the periods indicated. The results reported for the interim periods presented are not necessarily indicative of results that may be expected for the full year. These unaudited financial statements should be read in conjunction with the historical audited financial statements of Legacy Humacyte as of and for the year ended December 31, 2020 and the related notes set forth in Exhibit 99.1 hereto and the section of this Current Report entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Unaudited Pro Forma Condensed Combined Financial Information

The unaudited pro forma condensed combined financial information of Humacyte as of and for the six months ended June 30, 2021 and for the year ended December 31, 2020 is set forth in Exhibit 99.2 hereto and is incorporated herein by reference. The unaudited pro forma condensed combined financial information is derived from, and should be read in conjunction with, the historical financial statements and related notes of Legacy Humacyte and AHAC for the applicable periods included elsewhere in this Current Report, in AHAC's Amended Annual Report on Form 10-K, filed with the SEC on May 14, 2021 (the "AHAC 10-K/A"), and in AHAC's Quarterly Report on Form 10-Q, filed with the SEC on August 16, 2021 (the "AHAC 10-Q"). The unaudited pro forma condensed combined financial information should also be read in conjunction with the section of this Current Report entitled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and the sections of the AHAC 10-K/A and AHAC 10-Q entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Management's Discussion and Analysis of Financial Condition and Results of Operations

Management's discussion and analysis of the financial condition and results of operations of Legacy Humacyte as of December 31, 2020 and for the years ended December 31, 2020 and 2019 and as of June 30, 2021 and for the six months ended June 30, 2021 and 2020 is set forth below.

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and the related notes set forth in Exhibit 99.1 hereto. Unless the context otherwise requires, when we use the terms "we," "us," and "our" in the following discussion and analysis we are referring to Humacyte, Inc. prior to the completion of the Business Combination (Legacy Humacyte).

Cautionary Statement Regarding Forward-Looking Statements

In addition to historical information, some of the information contained in this discussion and analysis or set forth elsewhere in this Current Report, including information with respect to our plans and strategy for our business, future financial performance, expense levels and liquidity sources, includes forward-looking statements that involve risks and uncertainties. You should read the sections of this Current Report entitled "Forward-Looking Statements" and "Risk Factors" for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

We are pioneering the development and manufacture of off-the-shelf, universally implantable, bioengineered human tissues to improve the lives of patients and transform the practice of medicine. We believe our technology has the potential to overcome limitations in existing standards of care and address the lack of significant innovation in products that support tissue repair, reconstruction and replacement. We are leveraging our novel, scalable technology platform to develop proprietary, bioengineered, acellular human tissues. Our goal is to develop and manufacture these tissues for the treatment of diseases and conditions across a range of anatomic locations in multiple therapeutic areas.

We are initially using our proprietary scientific technology platform to engineer and manufacture HAVs. Our HAVs are designed to be easily implanted into any patient without inducing a foreign body response or leading to immune rejection. We are developing our "cabinet" of HAVs of varying diameters and lengths. The HAV cabinet would initially target the vascular repair, reconstruction and replacement market, including use in AVs access for hemodialysis, trauma, PAD and CABG. In addition, we are developing our HAVs as conduits for pediatric heart surgery and the delivery of cellular therapies, including pancreatic islet cell transplantation for the treatment of Type 1 diabetes. We intend to continue to explore the application of our technology across a broad range of markets and indications, including the development of urinary conduit, trachea, esophagus and other novel cell delivery systems.

We believe there is substantial clinical demand for safe and effective vascular conduits to replace and repair blood vessels throughout the body. Vascular injuries resulting from trauma are common in civilian and military populations, frequently resulting in the loss of either life or limb. Existing treatment options in the vascular repair, reconstruction and replacement market use autologous vessels and synthetic grafts and suffer from significant limitations. For example, the use of autologous veins to repair traumatic vascular injuries can lead to significant morbidity associated with the surgical wounds created for vein harvest and prolonged times to restore blood flow to injured limbs leading to an increased risk of amputation and infection. Synthetic grafts are often contraindicated in the setting of vascular trauma due to higher infection risk that can lead to prolonged hospitalization and limb loss. Given the competitive advantages HAVs may have over existing vascular substitutes, we believe that HAVs have the potential to become the standard of care and lead to improved patient outcomes and lower healthcare costs.

We have incurred net losses in each year since our inception in 2004. As of December 31, 2020 and June 30, 2021, we had an accumulated deficit of $388.1 million and $425.6 million, respectively, and working capital of $30.2 million and $15.2 million, respectively. Our net losses were approximately $85.4 million and $66.5 million for the years ended December 31, 2019 and 2020, respectively, and $32.6 million and $37.5 million for the six months ended June 30, 2020 and 2021, respectively. Substantially all of our net losses resulted from costs incurred in connection with our research and development programs and from general and administrative costs associated with our operations.

As of December 31, 2020 and June 30, 2021, we had cash and cash equivalents of $39.9 million and $29.0 million, respectively. Including the $223.5 million in net proceeds from the Business Combination and the related PIPE Investment received on August 26, 2021 and the cash and cash equivalents on hand, we believe our combined cash and cash equivalents will be sufficient to fund operations, including clinical trial expenses and capital expenditure requirements for at least 12 months from August 27, 2021, the issuance date of our interim financial statements. See Note 15 to our related interim financial statements set forth in Exhibit 99.1 hereto for additional information on our assessment.

The report of our independent registered public accounting firm on our financial statements as of and for the year ended December 31, 2020 includes an explanatory paragraph indicating that there is substantial doubt about our ability to continue as a going concern, as at the time of the issuance date of those financial statements there was substantial doubt about our ability to continue as a going concern.

Our need for additional capital will depend in part on the scope and costs of our development and commercial manufacturing activities. To date, we have not generated any revenue from the sale of commercialized products. Our ability to generate product revenue will depend on the successful development and eventual commercialization of one or more of our product candidates. Until such time, if ever, we expect to finance our operations through the sale of equity or debt, borrowings under credit facilities, or through potential collaborations, other strategic transactions or government and other grants. Adequate capital may not be available to us when needed or on acceptable terms. If we are unable to raise capital, we could be forced to delay, reduce, suspend or cease our research and development programs or any future commercialization efforts, which would have a negative impact on our business, prospects, operating results and financial condition. See the section of this Current Report entitled “Risk Factors” for additional information.

We expect to continue to incur significant expenses and to increase operating losses for at least the next several years. We anticipate that our expenses will increase substantially as we seek to:

- obtain marketing approval for our 6 millimeter HAV for vascular repair, reconstruction and replacement, including for trauma and AV access for hemodialysis;
- commercialize the HAV via U.S. market launches in trauma and dialysis AV access;
- scale out our manufacturing facility to satisfy potential demand following any receipt of marketing approval;
- continue our preclinical and clinical development efforts;
- maintain, expand and protect our intellectual property portfolio;
- add operational, financial and management information systems and personnel to support, among other things, our product development and commercialization efforts and operations; and
- operate as a public company, which includes higher costs associated with hiring additional personnel, director and officer insurance premiums, audit and legal fees, investor relations fees and expenses for compliance with public company reporting requirements under the Exchange Act and rules implemented by the SEC and Nasdaq.

Impact of COVID-19

The COVID-19 pandemic, which began in December 2019 and has spread worldwide, has caused many governments to implement measures to slow the spread of the outbreak, including shelter-in-place orders and the mandatory shutdown of certain businesses. The outbreak and government measures taken in response have had a significant impact, both direct and indirect, on our business, as supply chains have been disrupted, and facilities and production have been suspended. The future progression of the pandemic and its effects on our business and operations are uncertain. The COVID-19 pandemic may affect our ability to initiate and complete preclinical studies, delay our clinical trials or future clinical trials, disrupt regulatory activities, or have other adverse effects on our business and operations. The pandemic has already caused significant disruptions in the financial markets, and may continue to cause such disruptions, which could impact our ability to raise additional funds to support our operations. Moreover, the pandemic has significantly impacted economies worldwide and could result in adverse effects on our business and operations.

To date, the COVID-19 pandemic has not resulted in material financial impacts or impairment losses in the carrying values of our assets as a result of the pandemic and we are not aware of any specific related event or circumstance that would require us to revise the estimates reflected in our financial statements. The extent to which the COVID-19 pandemic will directly or indirectly impact our business, results of operations and financial condition, including current and future clinical trials and research and development costs, will depend on future developments that are highly uncertain, including as a result of new information that may emerge concerning COVID-19, the actions taken to contain or treat it, and the duration and intensity of the related economic impact of the pandemic.

Components of Results of Operations

Revenue

To date, we have not generated revenue from the sale of any products. All of our revenue has been derived from government and other grants. Since inception we have been awarded grants from the California Institute of Regenerative Medicine (“CIRM”), the National Institutes of Health (“NIH”), and the Department of Defense (“DoD”), to support our development, production scaling and clinical trials of our product candidates. We recognized $30.5 million in revenue from inception to June 30, 2021 from these sources, including $11.2 million from CIRM under a program that ended in 2020. We may generate revenue in the future from government and other grants, payments from future license or collaboration agreements and, if any of our product candidates receive marketing approval, from product sales. We expect that any revenue we generate will fluctuate from quarter to quarter. If we fail to complete the development of, or obtain marketing approval for, our product candidates in a timely manner, our ability to generate future revenue, and our results of operations and financial position, would be materially adversely affected.

Research and Development Expenses

Since our inception, we have focused our resources on our research and development activities, including conducting preclinical studies and clinical trials, developing our manufacturing process and activities related to regulatory filings for our product candidates. We recognize research and development expenses as they are incurred. Our research and development expenses consist primarily of:

- salaries and related overhead expenses for personnel in research and development functions, including stock-based compensation and benefits;
- fees paid to consultants and clinical research organizations (“CROs”), including in connection with our clinical trials, and other related clinical trial fees, such as for investigator grants, patient screening, laboratory work and statistical compilation and analysis;
- allocation of facility lease and maintenance costs;
- depreciation of leasehold improvements, laboratory equipment and computers;
- costs related to purchasing raw materials for and producing our product candidates for clinical trials;
- costs related to compliance with regulatory requirements;
- costs related to our manufacturing scale-out initiative; and
- license fees related to in-licensed technologies.

The majority of our research and development resources are currently focused on our Phase III clinical trials for our 6 millimeter HAV and other work needed to obtain marketing approval for our 6 millimeter HAV for use for vascular repair, reconstruction and replacement, including trauma and AV access in hemodialysis in the United States and Europe. We have incurred and expect to continue to incur significant expenses in connection with these and our other clinical development efforts, including expenses related to regulatory filings, trial enrollment and conduct, data analysis, patient follow up and study report generation for our Phase II and Phase III clinical trials. We do not allocate our costs by each research and development program for which we are developing our cabinet of HAVs, as a significant amount of our development activities broadly support multiple programs that use our technology platform. Subject to the availability of additional funding, we plan to further increase our research and development expenses for the foreseeable future as we continue the development of our proprietary scientific technology platform and our novel manufacturing paradigm.

The successful development of our preclinical and clinical product candidates is highly uncertain. At this time, we cannot reasonably estimate the nature, timing or costs of the efforts that will be necessary to complete the remainder of the development of any of our preclinical or clinical product candidates or the period, if any, in which material net cash inflows from these product candidates may commence. This is due to the numerous risks and uncertainties associated with the development of our product candidates, including:

- the scope, rate of progress, expense and results of our preclinical development activities, our ongoing clinical trials and any additional clinical trials that we may conduct, and other research and development activities;
- successful patient enrollment in and the initiation and completion of clinical trials;
- the timing, receipt and terms of any marketing approvals from applicable regulatory authorities including the FDA and non-U.S. regulators;
- the extent of any required post-marketing approval commitments to applicable regulatory authorities;
- development of clinical and commercial manufacturing capabilities or making arrangements with third-party manufacturers in order to ensure that it or its third-party manufacturers are able to successfully manufacture our product;
- obtaining, maintaining, defending and enforcing patent claims and other intellectual property rights;
- significant and changing government regulations;
- launching commercial sales of our product candidates, if approved, whether alone or in collaboration with others;
- the degree of market acceptance of any product candidates that obtain marketing approval; and
- maintaining a continued acceptable safety profile following approval, if any, of our product candidates.

A change in the outcome of any of these variables could lead to significant changes in the costs and timing associated with the development of our product candidates. For example, if the FDA or another regulatory authority were to require us to conduct clinical trials beyond those that we currently anticipate being required to conduct in order to complete the clinical development of any of our product candidates, or if we experience significant delays in the enrollment or the conduct of any of our clinical trials, we could be required to expend significant additional financial resources and time on the completion of clinical development.

General and Administrative Expenses

General and administrative expenses consist primarily of salaries and related costs for employees in executive, finance, human resources, commercialization, and administrative support functions, which also include stock-based compensation expenses and benefits for such employees. Other significant general and administrative expenses include facilities costs, professional fees for accounting and legal services and expenses associated with obtaining and maintaining patents.

We expect our general and administrative expenses will increase for the foreseeable future to support our expanded infrastructure and increased costs of operating as a public company. These increases are expected to include increased costs for fees to members of our board of directors, increased employee-related expenses, and increased director and officer insurance premiums, audit and legal fees, investor relations fees and expenses for compliance with public company reporting requirements under the Exchange Act and rules implemented by the SEC, as well as Nasdaq rules.

Other Income (Expenses), Net

Total other income (expenses), net consists of a gain on Paycheck Protection Program ("PPP") loan forgiveness, interest income earned on our cash and cash equivalents and interest expense relating to interest incurred on our finance leases and PPP loan under the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"). We expect our interest income to increase following the completion of the Business Combination as we invest the net proceeds in a variety of capital preservation investments, including short-term, investment-grade, interest-bearing obligations of the U.S. government and its agencies. Interest expense primarily relates to interest incurred on our finance leases. See Note 4 to our financial statements set forth in Exhibit 99.1 hereto for a description of the leases.

Results of Operations

Comparison of the Six Months Ended June 30, 2020 and 2021

	Six Months Ended June 30,		Change	
($ in thousands)	**2020**	**2021**	**$**	**%**
Revenue	$ 453	$ 845	392	87%
Operating expenses:				
Research and development	26,187	29,705	3,518	13%
General and administrative	5,981	10,178	4,197	70%
Total operating expenses	32,168	39,883	7,715	24%
Loss from operations	**(31,715)**	**(39,038)**	**(7,323)**	(23)%
Total other income (expense)	(837)	1,539	2,376	-
Net loss	**$ (32,552)**	**$ (37,499)**	**$ (4,947)**	(15)%

Grant Revenue

For the six months ended June 30, 2020 and 2021, revenue totalled $0.5 million and $0.8 million, respectively, an increase of $0.3 million, or 87%, and was related to our grant from DoD.

Research and Development Expenses

The following table discloses the breakdown of research and development expenses:

	Six Months Ended June 30,		Change	
($ in thousands)	**2020**	**2021**	**$**	**%**
External services	$ 7,052	$ 7,733	$ 681	10%
Lab supplies	3,542	5,194	1,652	47%
Payroll and personnel expenses	9,723	11,228	1,505	15%
Other research and development expenses	5,870	5,550	(320)	(5)%
	$ 26,187	**$ 29,705**	**$ 3,518**	13%

Research and development expenses increased from $26.2 million for the six months ended June 30, 2020 to $29.7 million for the six months ended June 30, 2021. The increase of $3.5 million, or 13%, was primarily driven by the purchase of lab supplies used to develop our commercial manufacturing process and in our research and development initiatives, including clinical studies.

General and Administrative Expenses

General and administrative expenses were $6.0 million and $10.2 million for the six months ended June 30, 2020 and 2021, respectively. The increase in general and administrative expenses of $4.2 million, or 70%, was driven by an increase in non-cash stock compensation expense of $2.3 million, external services and professional fees of $1.0 million, including those related to preparations for commercial launch, and $0.4 million in salaries and benefits.

Other Income (Expense)

Other income (expense) was $(0.8) million and $1.5 million for the six months ended June 30, 2020 and 2021, respectively. The increase of $2.3 million resulted from a gain on PPP loan forgiveness partially offset by an increase in interest expense related to our loan facility with Silicon Valley Bank, and a decrease in interest income earned on our cash equivalents due to lower interest rates and lower average cash balances during the year. Interest expense on our finance lease right of use assets was not impacted by these lower interest rates.

Results of Operations

Comparison of the Years Ended December 31, 2019 and 2020

	Year Ended December 31,		Change	
($ in thousands)	**2019**	**2020**	**$**	**%**
Revenue	$ 6,187	$ 1,491	$ (4,696)	(76)%
Operating expenses:				
Research and development	75,603	54,078	(21,525)	(28)%
General and administrative	16,275	12,013	(4,262)	(26)%
Total operating expenses	91,878	66,091	(25,787)	(28)%
Loss from operations	**(85,691)**	**(64,600)**	**21,091**	25%
Total other income (expense)	269	(1,924)	(2,193)	(815)%
Net loss	**$ (85,422)**	**$ (66,524)**	**$ 18,898**	22%

Grant Revenue

For the years ended December 31, 2019 and 2020, we generated $6.2 million and $1.5 million of revenue, respectively, related to the reimbursement of qualifying expenses incurred in connection with our grants from DoD, NIH and CIRM. The decrease in revenue of $4.7 million, or 76%, was primarily driven by the completion of certain DoD awards during the year ended December 31, 2019 and a decrease of $1.7 million in revenue related to our CIRM awards, a program that ended during 2020.

Research and Development Expenses

The following table discloses the breakdown of research and development expenses:

	Year Ended December 31,		Change	
($ in thousands)	**2019**	**2020**	**$**	**%**
External services	$ 25,249	$ 14,675	$ (10,574)	(42)%
Lab supplies	21,423	9,769	(11,654)	(54)%
Payroll and personnel expenses	17,723	17,885	162	1%
Other research and development expenses	11,208	11,749	541	5%
	$ 75,603	**$ 54,078**	**$ (21,525)**	(28)%

Research and development expenses decreased from $75.6 million for the year ended December 31, 2019 to $54.1 million for the year ended December 31, 2020. The decrease of $21.5 million, or 28%, was due to the completion of certain programs, combined with initiatives implemented to extend our cash runway, including decreased requirements for lab supplies used to develop our commercial manufacturing process and used in our research and development initiatives, totalling $11.7 million of the decrease. External services decreased by $10.6 million, or 42%, due to our V006 trial completing enrollment and our V007 trial enrollment slowing due to the COVID-19 pandemic, which comprised $4.5 million of the decrease, the termination of our agreement with our contract manufacturing organization, which comprised $2.9 million of the decrease, and initiatives implemented to extend our cash runway, which comprised $3.2 million of the decrease.

General and Administrative Expenses

General and administrative expenses were $16.3 million and $12.0 million for the years ended December 31, 2019 and 2020, respectively. The decrease in general and administrative expenses during this period of $4.3 million, or 26%, was similarly driven by our adoption of a lower operating budget in 2020 to extend our cash runway, and primarily due to the decrease in professional fees of $2.3 million, $1.5 million of which related to offering costs that were charged to expense in 2019.

Other Income (Expense)

Other income (expense) was $0.3 million and $(1.9) million for the years ended December 31, 2019 and 2020, respectively. The decrease of $2.2 million resulted from a decrease in interest income earned on our cash equivalents due to lower interest rates and lower average cash balances during the year. Interest expense on our finance lease right of use assets was not impacted by these lower interest rates.

Liquidity and Capital Resources

Sources of Liquidity

To date, we have financed our operations primarily through the sale of equity securities and convertible debt and, to a lesser extent, through grants from governmental and other agencies. Since our inception, we have incurred significant operating losses and negative cash flows. As of December 31, 2020 and June 30, 2021, we had an accumulated deficit of $388.1 million and $425.6 million, respectively.

As of December 31, 2020 and June 30, 2021, we had cash and cash equivalents of $39.9 million and $29.0 million, respectively. Including the $223.5 million in net proceeds from the Business Combination and the related PIPE Investment received on August 26, 2021 and the cash and cash equivalents on hand, we believe our combined cash and cash equivalents will be sufficient to fund operations, including clinical trial expenses and capital expenditure requirements for at least 12 months from August 27, 2021, the issuance date of our interim financial statements. See Note 15 to our related interim financial statements set forth in Exhibit 99.1 hereto for additional information on our assessment.

In April 2020, we received loan proceeds in the amount of approximately $3.3 million under the PPP as established under the CARES Act. The loan and accrued interest were forgivable after a 24-week period as long as we used the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintained its payroll levels. On May 25, 2021, the Small Business Administration approved the forgiveness of the outstanding amount of the PPP loan and we recognized a gain from loan extinguishment in the amount of $3.3 million during the six months ended June 30, 2021.

In March 2021, we entered into the Loan Agreement with Silicon Valley Bank and SVB Innovation Credit Fund VIII, L.P., which provides a term loan facility of up to $50.0 million, with a maturity date of March 1, 2025, of which $20.0 million was funded upon the closing of the Loan Agreement, and the additional $30.0 million is accessible in three tranches of $10.0 million each contingent on the achievement of certain business and clinical development milestones. Our obligations under the Loan Agreement are secured by substantially all of our assets, except for our intellectual property. The Loan Agreement contains certain customary covenants, including, but not limited to, those relating to additional indebtedness, liens, asset divestitures, and affiliate transactions. We may use the proceeds of borrowings under the Loan Agreement as working capital and to fund our general business requirements.

Borrowings under the Loan Agreement bear interest at a rate of 7.5% or the sum of the Wall Street Journal Prime Rate plus 4.25%, whichever is greater. In addition, the lenders were each granted a warrant to purchase Humacyte common stock.

As of June 30, 2021, principal of $20.0 million was outstanding under the Loan Agreement. On July 9, 2021 the Company had not yet achieved certain financial covenants and $10.0 million of the loan proceeds has been classified as restricted cash. The Company met these financial covenants as a result of the Business Combination and the related PIPE Investment on August 26, 2021.

Future Funding Requirements

We expect to incur significant expenses in connection with our ongoing activities as we seek to (i) continue clinical development of our 6 millimeter HAV for use in dialysis AV access and vascular repair and submit biologics license applications for FDA approval, (ii) if marketing approval is obtained, to launch and commercialize our HAVs for dialysis AV access and vascular repair in the U.S. market, including subsequent launches in key international markets, (iii) advance our pipeline in major markets, including PAD Phase III trials and continue preclinical and clinical development for proof of concept in CABG and biovascular pancreas for diabetes, and (iv) scale out our manufacturing facility to satisfy potential demand if our HAVs receive marketing approval. We will need additional funding in connection with these activities. Our future funding requirements, both short-term and long-term, will depend on many factors, including:

- the progress and results of our clinical trials and interpretation of those results by the FDA and other regulatory authorities;
- the cost, timing and outcome of regulatory review of our product candidates, particularly for marketing approval of our HAVs in the United States;
- the scope, progress, results and costs of preclinical development, laboratory testing and clinical trials for our additional product candidates;
- the cost and timing of our future commercialization activities, including product manufacturing, marketing and distribution for our HAVs if approved by the FDA, and any other product candidate for which we receive marketing approval in the future;
- the amount and timing of revenues, if any, that we receive from commercial sales of any product candidates for which we receive marketing approval;
- the costs and timing of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending any intellectual property-related claims; and
- the costs of operating as a public company, including hiring additional personnel as well as increased director and officer insurance premiums, audit and legal fees, investor relations fees and expenses for compliance with public company reporting requirements under the Exchange Act and rules implemented by the SEC and Nasdaq.

Until such time, if ever, as we are able to successfully develop and commercialize one or more of our product candidates, we expect to continue financing our operations through the sale of equity, debt, borrowings under credit facilities or through potential collaborations with other companies, other strategic transactions or government or other grants. Adequate capital may not be available to us when needed or on acceptable terms. We do not currently have any committed external source of funds beyond the Business Combination and the PIPE Investment, other than the Loan Agreement, subject to the terms thereof. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of stockholders. Debt financing and preferred equity financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making acquisitions or capital expenditures. Debt financing would also result in fixed payment obligations. If we are unable to raise additional funds through equity or debt financings or other arrangements when needed, we may be required to delay, reduce, suspend or cease our research and development programs or any future commercialization efforts, which would have a negative impact on our business, prospects, operating results and financial condition. See the section of this Current Report titled “Risk Factors” for additional risks associated with our substantial capital requirements.

Cash Flows

The following table shows a summary of our cash flows for each of the periods shown below:

	Year Ended December 31,		Six Months Ended June 30,	
($ in thousands)	**2019**	**2020**	**2020**	**2021**
Statement of cash flows data:				
Total cash (used in)/provided by:				
Operating activities	$ (71,787)	$ (55,568)	$ (27,582)	$ (29,223)
Investing activities	(8,125)	(268)	(239)	(92)
Financing activities	(74)	2,052	2,752	18,355
	$ (79,986)	**$ (53,784)**	**$ (25,069)**	**$ (10,960)**

Cash Flow from Operating Activities

Net cash used in operating activities of $71.8 million during the year ended December 31, 2019 was primarily the result of our net loss of $85.4 million to support our ongoing research and development, regulatory and other clinical trial costs, and related general and administrative costs as well as a decrease in deferred revenue of $0.6 million related to our CIRM awards, partially offset by a $2.4 million increase in accounts payable and by non-cash items of $11.3 million primarily related to $4.7 million of depreciation expense, $4.5 million for stock-based compensation and $2.1 million for amortization of finance lease right-of-use assets.

Net cash used in operating activities of $55.6 million during the year ended December 31, 2020 was primarily the result of our net loss of $66.5 million to support our research and development, regulatory and other clinical trial costs, and related general and administrative costs as well as a $2.3 million decrease in accounts payable and accrued expenses, partially offset by a $0.5 million decrease in accounts receivable and by non-cash items of $13.4 million primarily related to $6.3 million for depreciation, $4.7 million for stock-based compensation, $2.1 million for amortization of finance lease right-of-use assets, and $0.3 million for deferred payroll taxes related to Section 2302 of the CARES Act.

Net cash used in operating activities of $27.6 million during the six months ended June 30, 2020 was primarily the result of our net loss of $32.6 million to support our ongoing research and development, regulatory and other clinical trial costs, and related general and administrative costs as well as a decrease in accrued expenses and accounts payable of $1.4 million and a decrease in prepaid expenses of $0.7 million, partially offset by a $6.7 million increase in non-cash items primarily related to $3.2 million of depreciation expense, $2.3 million for stock-based compensation and $1.0 million for amortization of finance lease right-of-use assets.

Net cash used in operating activities of $29.2 million during the six months ended June 30, 2021 was primarily the result of our net loss of $37.5 million to support our research and development, regulatory and other clinical trial costs, and related general and administrative costs as well as a $3.3 million non-cash gain on PPP loan forgiveness and a $0.6 million increase in accounts receivable, which are related to our DoD grant, partially offset by a $2.2 million increase in accounts payable and accrued expenses and by non-cash items of $6.7 million primarily related to $5.5 million for stock-based compensation, $3.1 million for depreciation and $1.0 million for amortization of finance lease right-of-use assets.

Cash Flow from Investing Activities

Net cash used in investing activities during the year ended December 31, 2019 was $8.1 million, primarily consisting of purchases related to construction in progress of $4.5 million for the build-out of our manufacturing facility and laboratory equipment of $3.6 million to equip our manufacturing facility with scientific equipment and LUNA200 manufacturing systems.

Net cash used in investing activities during the year ended December 31, 2020 was $0.3 million, primarily consisting of purchases of scientific equipment.

Net cash used in investing activities during the six months ended June 30, 2020 was $0.2 million, primarily consisting of the purchases of laboratory equipment of $0.2 million to equip our manufacturing facility with scientific equipment and LUNA200 manufacturing systems.

Net cash used in investing activities during the six months ended June 30, 2021 was $0.1 million, primarily consisting of the purchases of laboratory equipment of $0.1 million.

Cash Flow from Financing Activities

Net cash used in financing activities during the year ended December 31, 2019 was $0.1 million, consisting of payments of $1.3 million in connection with a finance lease obligation, partially offset by proceeds of $1.2 million from the exercise of stock options.

Net cash provided by financing activities during the year ended December 31, 2020 was $2.1 million, consisting of $3.3 million of the proceeds from our PPP loan and $0.3 million from the exercise of stock options, partially offset by principal payments of $1.5 million in connection with a finance lease obligation.

Net cash provided by financing activities during the six months ended June 30, 2020 was $2.8 million, consisting of $3.3 million of the proceeds from our PPP loan and proceeds of $0.2 million from the exercise of stock options, partially offset by principal payments of $0.7 million in connection with a finance lease obligation.

Net cash provided by financing activities during the six months ended June 30, 2021 was $18.4 million, consisting of $19.7 million of net proceeds from our loan facility with Silicon Valley Bank and $0.2 million from the exercise of stock options, partially offset by principal payments of $0.8 million in connection with a finance lease obligation and $0.7 million in connection with the payment of deferred offering costs.

Contractual Obligations and Commitments

The following table summarizes our contractual obligations as of December 31, 2020:

($ in thousands)	**Total**	**Less than 1 year**	**1 – 3 years**	**3 – 5 years**	**More than 5 years**
Contractual obligations:					
Finance leases	$ 36,775	$ 3,773	$ 7,833	$ 8,232	$ 16,937
Operating leases	1,205	105	210	212	678
PPP loan payable[(1)]	3,273	2,451	822	—	—
Noncancelable purchase commitments[(2)]	7,983	7,983	—	—	—
Total contractual obligations	$ 49,236	$ 14,312	$ 8,865	$ 8,444	$ 17,615

(1) The PPP loan was forgiven on May 25, 2021.

(2) As of December 31, 2020, we had non-cancellable purchase commitments of $8.0 million for supplies and services that are primarily for research and development. We have also entered into contracts with CROs primarily for clinical trials. These contracts generally provide for termination upon limited notice, and therefore we believe that our non-cancellable obligations under these agreements are not material.

The table above does not include potential milestone payments, license fee payments, royalties and other payments that we may be required to make under our license agreements with Duke and Yale and our distribution agreement with Fresenius Medical Care. These payments are not included in the preceding table as the amount and timing of such payments are unknown or uncertain at December 31, 2020. For additional information regarding these agreements and the nature of payments that could become due thereunder, see the sections of the Proxy Statement/Prospectus entitled "Information About Humacyte—Business Overview—Distribution" and "Information About Humacyte—Business Overview—Intellectual Property," beginning on pages 197 and 199 of the Proxy Statement/Prospectus, respectively. Our contractual obligations have increased materially from December 31, 2020 as a result of entering into a Loan Agreement with Silicon Valley Bank and SVB Innovation Credit Fund VIII, L.P., which provides a term loan facility of up to $50.0 million with a maturity date of March 1, 2025, of which $20.0 million was outstanding as of June 30, 2021. Our contractual obligation under the Loan Agreement include cash payments related to principal and interest of $3.7 million within one year, $15.1 million within one to three years, and $5.6 million within three to five years.

Off-Balance Sheet Arrangements

We did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined in SEC rules and regulations.

Critical Accounting Policies and Significant Judgments and Estimates

Our financial statements are prepared in accordance with U.S. GAAP. The preparation of our financial statements requires us to make estimates, assumptions and judgments that affect the reported amounts of assets, liabilities, costs and expenses. We base our estimates and assumptions on historical experience and other factors that we believe to be reasonable under the circumstances. We evaluate our estimates and assumptions on an ongoing basis. Our actual results may differ from these estimates. Our critical accounting policies are summarized below. See Note 2 to our financial statements set forth in Exhibit 99.1 hereto for a description of our other significant accounting policies.

Revenue Recognition

Our revenues generally consist of grant revenues, including revenues generated under Federal contracts and other awarded grants.

In 2014, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update No. 2014-09, Revenues from Contracts with Customers (Topic 606) ("ASC 606"). This guidance became effective January 1, 2019 for private companies, with early adoption allowed. We adopted ASC 606 on January 1, 2019 using the modified-retrospective adoption method for all contracts that were not completed as of the date of adoption. Under the modified-retrospective method, there was no cumulative effect of applying the standard as of January 1, 2019.

Under ASC 606, revenue is recognized when a customer obtains control of promised goods or services and is recognized in an amount that reflects the consideration that an entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that an entity determines are within the scope of Topic 606, the entity performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation. Topic 606 also impacts certain other areas, such as the accounting for costs to obtain or fulfill a contract.

In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

As of January 1, 2019, we determined that there was no material impact that the adoption of ASC 606 had on our financial statements. We have determined that our government grants are not within the scope of ASC 606 as they do not meet the definition of a contract with a customer.

We generate revenue primarily from government grants that reimburse us for certain allowable costs related to research and development efforts. We have determined that government grants are not within the scope of ASC 606 as they do not meet the definition of a contract with a customer. We have concluded that the grants meet the definition of a contribution and are nonexchange transactions and have applied the contribution accounting model in Subtopic 958-605, Not-for-Profit-Entities-Revenue Recognition by analogy.

We recognize funding received from grants as revenue, rather than as a reduction of research and development expenses, because we are the principal in conducting the research and development activities and these grants are central to our ongoing operations. We recognize revenue only after the qualifying expenses related to the grants have been incurred and it is reasonably assured that the expenses will be reimbursed and the revenue will be collectible. The related costs incurred are included in research and development expense in our statements of operations and comprehensive loss.

Accrued Expenses

As part of the process of preparing financial statements, we are required to estimate accrued expenses. This process involves reviewing open contracts and purchase orders, communicating with applicable vendor personnel to identify services that have been performed on our behalf and estimating the level of service performed and the associated cost incurred for the service when we have not yet been invoiced or otherwise notified of actual cost.

Our understanding of the status and timing of services performed relative to the actual status and timing may vary and may result in our reporting changes in estimates in a particular period. Changes in estimates have not resulted in any material changes to our accrued expenses to date.

Stock-Based Compensation

We measure and recognize compensation expense for all options based on the estimated fair value of the award on the grant date. We use the Black-Scholes option-pricing model to estimate the fair value of option awards. The fair value is recognized as expense on a straight-line basis over the requisite service period. We account for forfeitures as they occur.

The determination of the grant date fair value of options using an option pricing model is affected principally by our estimated fair value of shares of our common stock and requires management to make a number of other assumptions, including the expected term of the option, the volatility of the underlying shares, the risk-free interest rate and expected dividends. The assumptions used in our Black-Scholes option-pricing model represent management’s good faith estimates at the time of measurement. These estimates are complex, involve a number of variables, uncertainties and assumptions and the application of management’s judgment, as they are inherently subjective. If any assumptions change, our stock-based compensation expense could be materially different in the future.

These assumptions are estimated as follows:

- *Fair Value of Common Stock*. As our common stock has not historically been publicly traded, the fair value of the shares of our common stock underlying the options has historically been determined by our board of directors with input from management, after considering independent third-party valuation reports. See "Fair Value of Common Stock" and "Common Stock Valuation Methodology."

- *Expected Term*. The expected term represents the period that stock options are expected to be outstanding. We calculated the expected term using the simplified method for options, which is available where there is insufficient historical data about exercise patterns and post-vesting employment termination behavior. The simplified method is based on the vesting period and the contractual term for each grant, or for each vesting-tranche for awards with graded vesting. The mid-point between the vesting date and the maximum contractual expiration date is used as the expected term under this method. For awards with multiple vesting-tranches, the times from grant until the mid-points for each of the tranches may be averaged to provide an overall expected term.

- *Expected Volatility*. The expected volatility was based on the historical share volatility of several publicly traded peer companies over a period of time equal to the expected term of the options, as we do not have any trading history to use to determine the volatility of our common stock. For purposes of identifying these peer companies, we considered the industry, stage of development, size and financial leverage of potential comparable companies.

- *Risk-Free Interest Rate*. The risk-free interest rate was based on the yields of U.S. Treasury zero-coupon securities with maturities similar in duration to the expected term of the options.

- *Expected Dividend Yield*. We have not paid dividends on our common stock nor do we expect to pay dividends in the foreseeable future. Accordingly, we have estimated the dividend yield to be zero.

Fair Value of Common Stock

Historically, for all periods prior to this transaction, the fair values of the shares of common stock underlying our options were determined on each grant date by our board of directors with input from management. In order to determine the fair value, our board of directors considered, among other things, contemporaneous valuations of our common stock and preferred stock prepared by an unrelated third-party valuation firm in accordance with the guidance provided by the American Institute of Certified Public Accountants 2013 Practice Aid, Valuation of Privately-Held-Company Equity Securities Issued as Compensation (the "Practice Aid"). Given the absence of a public trading market of our capital stock, the assumptions used to determine the estimated fair value of our common stock are based on a number of objective and subjective factors, including:

- our stage of development and business strategy;

- the prices, rights, preferences and privileges of our redeemable convertible preferred stock relative to our common stock;

- our business, financial condition and results of operations, including related industry trends affecting our operations;

- the likelihood of achieving a liquidity event, such as an initial public offering or sale of our company, given prevailing market conditions;

- the lack of marketability of our common stock;

- the market performance of comparable publicly traded companies; and

- U.S. and global economic and capital market conditions and outlook.

Common Stock Valuation Methodology

The Practice Aid identifies various available methods for allocating enterprise value across classes and series of capital stock to determine the estimated fair value of common stock at each valuation date. In accordance with the Practice Aid, we considered the following methods:

- Option Pricing Method. Under the option pricing method ("OPM"), shares are valued by creating a series of call options with exercise prices based on the liquidation preferences and conversion terms of each equity class. The estimated fair values of the preferred and common stock are inferred by analyzing these options.

- Probability-Weighted Expected Return Method. The probability-weighted expected return method ("PWERM") is a scenario-based analysis that estimates value per share based on the probability-weighted present value of expected future investment returns, assuming various outcomes, as well as the economic and control rights of each share class.

Based on our early stage of development, we determined that the PWERM method, incorporating the OPM as one of several scenarios, was the most appropriate method for allocating our enterprise value to determine the estimated fair value of our common stock for valuations performed as of November 13, 2020 and October 23, 2019, which resulted in common stock valuations of $2.699 and $2.228 per share, respectively. In January, February, March and June 2021, stock options were granted at fair market value with an exercise price of $2.699, consistent with the fair market value determined two months earlier in November 2020. When adjusted for the estimated Exchange Ratio, as defined in the Business Combination Agreement, the $2.699 exercise price is greater than the public trading price of the AHAC Class A common stock as of the date of grant and also greater than the share price reflected in the $800 million equity value agreed upon in connection with the Business Combination. We also utilized the PWERM method for our valuation as of June 25, 2018, which resulted in a common stock valuation of $2.226 per share. In determining the estimated fair value of our common stock, our board of directors also considered the fact that our stockholders could not freely trade our common stock in the public markets. Accordingly, we applied discounts to reflect the lack of marketability of our common stock based on the weighted-average expected time to liquidity. The estimated fair value of our common stock at each grant date reflected a non-marketability discount partially based on the anticipated likelihood and timing of a future liquidity event.

Following the closing of the Business Combination, the fair value of our common stock will be determined based on the closing price of our common stock on the primary stock exchange on which our common stock is traded on the date stock options or other awards are granted under the 2021 Plan.

Income Taxes

Income taxes are computed using the asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in our financial statements. In estimating future tax consequences, we consider all expected future events other than enactment of changes in tax laws or rates. A valuation allowance is recorded to reduce net deferred tax assets to their realizable values if management does not believe it is more likely than not that the net deferred tax assets will be realized. As of December 31, 2019 and 2020, we have recorded a full valuation allowance against our net deferred tax assets.

We recognize the benefit of an income tax position only if it is more likely than not (greater than 50%) that the tax position will be sustained upon tax examination, based solely on the technical merits of the tax position. Otherwise, no benefit can be recognized. Assessing an uncertain tax position begins with the initial determination of the sustainability of the position and is measured at the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement. As of each balance sheet date, unresolved uncertain tax positions must be reassessed. Additionally, we must accrue interest and related penalties, if applicable, on all tax exposures for which reserves have been established consistent with jurisdictional tax laws. We have not identified any uncertain tax positions for the years ended December 31, 2019 and 2020.

We have analyzed our filing positions in all significant Federal and state jurisdictions where we are required to file income tax returns, as well as open tax years in these jurisdictions. As of December 31, 2019 and 2020, we have determined that no uncertain tax positions would have a material impact on our financial statements. We are no longer subject to U.S. Federal, state, and local tax examinations by tax authorities for years before 2017 although carry-forward attributes that were generated prior to 2017 may still be adjusted upon examination by the taxing authorities if they either have been or will be used in a future period. No income tax returns are currently under examination by taxing authorities.

As of December 31, 2019 and 2020, we had not recorded any amounts for unrecognized tax benefits. Our policy is to recognize interest and penalties related to uncertain tax positions in the provision for income taxes, if any. As of December 31, 2019 and 2020, we had no accrued interest or penalties related to uncertain tax positions, and no amounts had been recognized in our statements of operations and comprehensive loss.

Recent Accounting Pronouncements

See Note 2 to our financial statements set forth in Exhibit 99.1 hereto for a description of recent accounting pronouncements applicable to our financial statements.

Emerging Growth Company and Smaller Reporting Company Status

Humacyte is an "emerging growth company" as defined in the JOBS Act, and may take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies until it is no longer an emerging growth company. Section 107 of the JOBS Act provides that an emerging growth company can take advantage of the extended transition period afforded by the JOBS Act for the implementation of new or revised accounting standards. We expect Humacyte to avail itself of the extended transition period and, therefore, while Humacyte is an emerging growth company it will not be subject to new or revised accounting standards at the same time that they become applicable to other public companies that are not emerging growth companies, unless it chooses to early adopt a new or revised accounting standard. This may make it difficult or impossible to compare Humacyte's financial results with the financial results of another public company that is either not an emerging growth company or is an emerging growth company that has chosen not to take advantage of the extended transition period exemptions because of the potential differences in accounting standards used.

Additionally, Humacyte is a "smaller reporting company" as defined in Item 10(f)(1) of Regulation S-K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements. Humacyte will remain a smaller reporting company if (1) the market value of Humacyte common stock held by non-affiliates is less than $250 million as of the last business day of the second fiscal quarter, or (2) Humacyte's annual revenues in its most recent fiscal year completed before the last business day of its second fiscal quarter are less than $100 million and the market value of Humacyte common stock held by non-affiliates is less than $700 million as of the last business day of the second fiscal quarter.

Quantitative and Qualitative Disclosure about Market Risk

We are exposed to market risk in the ordinary course of business. As of December 31, 2020 and June 30, 2021, we were not subject to any material market, currency, or interest rate risk.

Our primary exposure to market risk is associated with changes in interest rates related to the interest income from our cash and cash equivalents of $39.9 million and $29.0 million as of December 31, 2020 and June 30, 2021, respectively, which we invest in money market funds invested only in obligations of the U.S. government and its agencies. Due to the short-term maturities and low risk profile of our cash and cash equivalents, an immediate 10.0% change in interest rates would not have a material effect on our financial position or results of operations.

Properties

Reference is made to the section of the Proxy Statement/Prospectus entitled "Information About Humacyte—Facilities," beginning on page 215 of the Proxy Statement/Prospectus, which is incorporated herein by reference.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth information regarding the beneficial ownership of shares of our Common Stock as of the Closing Date, after giving effect to the Business Combination, by:

- each person known by us to be the beneficial owner of more than 5% of Common Stock;
- each of our executive officers and directors; and
- all of our executive officers and directors as a group.

Beneficial ownership is determined in accordance with the rules and regulations of the SEC. A person is a "beneficial owner" of a security if that person has or shares "voting power," which includes the power to vote or to direct the voting of the security, or "investment power," which includes the power to dispose of or to direct the disposition of the security, or has the right to acquire such powers within 60 days.

The beneficial ownership of shares of common stock is calculated based on 103,003,384 shares of Common Stock outstanding immediately following consummation of the Business Combination.

Unless otherwise noted in the footnotes to the following table, and subject to applicable community property laws, the persons and entities named in the table have sole voting and investment power with respect to their beneficially owned common stock.

Name and Address of Beneficial Owner[1]	Number of Shares Beneficially Owned	%
Directors and Executive Officers of Humacyte		
Laura E. Niklason[2]	23,268,279	22.4
Dale A. Sander[3]	56,457	*
Heather Prichard[4]	324,305	*
Jeffrey H. Lawson[5]	1,477,104	1.4
Brady W. Dougan[6]	23,268,279	22.4
Emery N. Brown	—	—
Kathleen Sebelius[7]	56,457	*
Rajiv Shukla[8]	2,857,500	2.8
Max Wallace[9]	86,747	*
Susan Windham-Bannister	—	—
Gordon M. Binder	—	—
Michael T. Constantino	—	—
Todd M. Pope	—	—
William Tente[10]	361,067	*
Kiernan T. DeAngelis[11]	99,576	*
William (B.J.) Scheessele	—	—
All Directors and Executive Officers of Humacyte as a Group (16 Individuals)	28,587,492	26.9
Five Percent Holders		
Ayabudge LLC[12]	20,452,504	19.9
Fresenius Medical Care Holdings, Inc.[13]	18,312,735	17.8
The GYF Trust[14]	8,942,078	8.7

* Less than one percent.

(1) Unless otherwise noted, the business address of each of the following entities and individuals is 2525 East North Carolina Highway 54, Durham, North Carolina 27713.

(2) Consists of (i) 1,148,240 shares of Common Stock held by Dr. Niklason, (ii) 827,177 shares of Common Stock subject to options exercisable within 60 days of the Closing Date held by Dr. Niklason, (iii) 810,161 shares of Common Stock held by Mr. Dougan, (iv) 30,197 shares of Common Stock subject to options exercisable within 60 days of the Closing Date held by Mr. Dougan, and (v) 20,452,504 shares of Common Stock held by Ayabudge LLC. Dr. Niklason is married to Mr. Dougan and Mr. Dougan has sole voting and dispositive power over the shares held by Ayabudge LLC. By virtue of these relationships, Dr. Niklason may be deemed to share beneficial ownership of the securities held of record by Mr. Dougan and Ayabudge LLC.

(3) Consists of 56,457 shares of Common Stock subject to options exercisable within 60 days of the Closing Date.

(4) Consists of (i) 2,625 shares of Common Stock and (ii) 321,680 shares of Common Stock subject to options exercisable within 60 days of the Closing Date.

(5) Consists of (i) 7,877 shares of Common Stock and (ii) 1,469,227 shares of Common Stock subject to options exercisable within 60 days of the Closing Date.
(6) Consists of (i) 810,161 shares of Common Stock held by Mr. Dougan, (ii) 30,197 shares of Common Stock subject to options exercisable within 60 days of the Closing Date held by Mr. Dougan, (iii) 1,148,240 shares of Common Stock held by Dr. Niklason, (iv) 827,177 shares of Common Stock subject to options exercisable within 60 days of the Closing Date held by Dr. Niklason, and (v) 20,452,504 shares of Common Stock held by Ayabudge LLC. Mr. Dougan is married to Dr. Niklason and Mr. Dougan has sole voting, and dispositive power over the shares held by Ayabudge LLC. By virtue of these relationships, Mr. Dougan may be deemed to share beneficial ownership of the securities held of record by Dr. Niklason and Ayabudge LLC.
(7) Consists of 56,457 shares of Common Stock subject to options exercisable within 60 days of the Closing Date.
(8) Consists of (i) 2,705,000 shares of Common Stock and (ii) Warrants to purchase 152,500 shares of Common Stock exercisable within 60 days of the Closing Date. AHAC Sponsor LLC is the record holder of such shares and Warrants. Mr. Shukla is the managing member of the Sponsor. By virtue of this relationship, Mr. Shukla may be deemed to share beneficial ownership of the securities held of record by the Sponsor. Mr. Shukla disclaims beneficial ownership of the shares held of record by the Sponsor except to the extent of his pecuniary interest therein.
(9) Consists of (i) 49,986 shares of Common Stock and (ii) 36,761 shares of Common Stock subject to options exercisable within 60 days of the Closing Date.
(10) Consists of (i) 52,519 shares of Common Stock and (ii) 308,548 shares of Common Stock subject to options exercisable within 60 days of the Closing Date.
(11) Consists of 99,576 shares of Common Stock subject to options exercisable within 60 days of the Closing Date
(12) Mr. Dougan has sole voting and dispositive power over the shares held by Ayabudge LLC. Ayabudge LLC has pledged 18,930,004 shares to certain lenders in connection with a financing arrangement.
(13) The business address of Fresenius Medical Care Holdings, Inc. is 920 Winter Street, Waltham, Massachusetts 02451.
(14) Gavril Abramovich Yushvaev has sole voting and dispositive power over the shares held by PTC Trustees GY Limited. The address of the business office of PTC Trustees GY Limited as Trustee of The GYF Trust is 37 Metochiou Street, Agios Andreas, 1101 Nicosia, Cyprus.

Directors and Executive Officers

Reference is made to the disclosure in the subsections entitled “Board of Directors” and “Executive Officers” in Item 5.02 of this Current Report, which is incorporated herein by reference. Further reference is made to the section of the Proxy Statement/Prospectus entitled “Management of the Combined Company,” beginning on page 272 of the Proxy Statement/Prospectus, which is incorporated herein by reference.

Humacyte adheres to the rules of Nasdaq in determining whether a director is independent. The Board has consulted with its counsel to ensure that its determinations are consistent with those rules and all relevant securities and other laws and regulations regarding the independence of directors. The Nasdaq listing standards generally define an “independent director” as a person who is not an executive officer or employee, or who does not have a relationship which, in the opinion of the Board, would interfere with the exercise of independent judgment in carrying out his or her responsibilities as a director. The Board has determined that Gordon M. Binder, Emery N. Brown, Michael T. Constantino, Todd M. Pope, Kathleen Sebelius, Max Wallace, and Susan Windham-Bannister are independent directors of Humacyte. The Humacyte independent directors will have regularly scheduled meetings at which only independent directors are present.

Executive Compensation

Reference is made to the section of the Proxy Statement/Prospectus entitled "Management of the Combined Company—Executive Officer and Director Compensation Following the Business Combination," beginning on page 279 of the Proxy Statement/Prospectus, which is incorporated herein by reference.

On the Closing Date, in connection with the consummation of the Business Combination, the Humacyte, Inc. 2021 Long-Term Incentive Plan (the "2021 Plan"), the Humacyte, Inc. 2021 Employee Stock Purchase Plan (the "ESPP"), and the Humacyte, Inc. Annual Bonus Plan (the "Annual Bonus Plan") became effective. Humacyte expects that the Board or the compensation committee of the Board will make grants of awards under the 2021 Plan and the Annual Bonus Plan to eligible participants, and that eligible participants will purchase shares of Common Stock pursuant to the ESPP.

The 2021 Plan, the ESPP and the Annual Bonus Plan are described in greater detail in the sections of the Proxy Statement/Prospectus entitled "Proposal 6: The Incentive Plan Proposal," "Proposal 7: The ESPP Proposal," and "Information About Humacyte—Management's Discussion and Analysis of Financial Condition and Results of Operations—Equity Incentive and Other Compensation Plans—Annual Bonus Plan," beginning on pages 136, 142 and 237 of the Proxy Statement/Prospectus, respectively. Those summaries and the foregoing description of the 2021 Plan, the ESPP and the Annual Bonus Plan do not purport to be complete and are qualified in their entirety by reference to the text of the 2021 Plan, the ESPP and the Annual Bonus Plan, which are attached hereto as Exhibits 10.4, 10.5 and 10.8, respectively, and are incorporated herein by reference.

Certain Relationships and Related Transactions, and Director Independence

Reference is made to the sections of the Proxy Statement/Prospectus entitled "Certain Relationships and Related Party Transactions" and "Management of the Combined Company—Independence of Directors," beginning on pages 250 and 276 of the Proxy Statement/Prospectus, respectively, which are incorporated herein by reference.

Legal Proceedings

There is no material litigation, arbitration or governmental proceeding currently pending against us or any members of our management team in their capacity as such.

Market Price of and Dividends on the Registrant's Common Equity and Related Stockholder Matters

Prior to the Closing Date, AHAC's publicly traded Class A common stock, public warrants and units were listed on the Nasdaq Capital Market under the symbols "AHAC," "AHACW" and "AHACU," respectively. Upon the consummation of the Business Combination, the Common Stock and Humacyte's warrants began trading on Nasdaq under the symbols "HUMA" and "HUMAW," respectively. AHAC's publicly traded units automatically separated into their component securities upon the Closing, and as a result, no longer trade as a separate security and will be delisted from the Nasdaq Capital Market.

As of the close of business on the Closing Date, Humacyte had 103,003,384 shares of Common Stock issued and outstanding held of record by 54 holders.

Humacyte has not paid any cash dividends on shares of its Common Stock to date. The payment of any cash dividends in the future will be within the discretion of the Board. The Loan Agreement also limits Humacyte's ability to pay dividends. The payment of cash dividends in the future will be contingent upon Humacyte's revenues and earnings, if any, capital requirements, and general financial condition. It is the present intention of Board to retain all earnings, if any, for use in business operations, and accordingly, the Board does not anticipate declaring any dividends in the foreseeable future.

Recent Sales of Unregistered Securities

Reference is made to the disclosure in Item 3.02 of this Current Report, which is incorporated herein by reference.

Description of Registrant's Securities to be Registered

Reference is made to the section of the Proxy Statement/Prospectus entitled "Description of New Humacyte's Securities After the Business Combination," beginning on page 256 of the Proxy Statement/Prospectus, which is incorporated herein by reference.

Indemnification of Directors and Officers

Reference is made to the disclosure under the subheading "Indemnification Agreements" in Items 1.01 and 5.02 of this Current Report, which is incorporated herein by reference.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Reference is made to the disclosure in Item 4.01 of this Current Report, which is incorporated herein by reference.

Financial Statements, Exhibits and Supplementary Data

Reference is made to the disclosure in Item 9.01 of this Current Report, which is incorporated herein by reference.

Item 3.02. Unregistered Sales of Equity Securities

In connection with the Closing, AHAC consummated the PIPE Investment. Reference is made to the disclosure under the heading "Introductory Note" of this Current Report, which is incorporated herein by reference. The shares of common stock issued pursuant to the Subscription Agreements have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), and were issued in reliance upon the exemption provided under Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder.

Item 3.03. Material Modifications to Rights of Security Holders.

In connection with the consummation of the Business Combination, AHAC changed its name to "Humacyte, Inc." and adopted the Second Amended and Restated Certificate of Incorporation (the "Charter"). Reference is made to the sections of the Proxy Statement/Prospectus entitled "Proposal 2: The Charter Amendment Proposal," "Proposal 3: The Advisory Charter Amendment Proposals," "Comparison of Stockholders' Rights" and "Description of New Humacyte's Securities After the Business Combination" beginning on pages 129, 131, 263 and 256 of the Proxy Statement/Prospectus, respectively, which are incorporated herein by reference. This summary is qualified in its entirety by reference to the text of the Charter and the bylaws of Humacyte, which are attached as Exhibits 3.1 and 3.2 hereto, respectively, and which are incorporated herein by reference.

Item 4.01. Change in the Registrant's Certifying Accountant.

On August 24, 2021, the Board approved a resolution appointing PricewaterhouseCoopers LLP ("PwC") as Humacyte's independent registered public accounting firm to audit Humacyte's consolidated financial statements for the fiscal year ending December 31, 2021. PwC served as the independent registered public accounting firm of Legacy Humacyte prior to the Business Combination. Accordingly, Marcum LLP ("Marcum"), AHAC's independent registered public accounting firm prior to the Business Combination, was informed on August 25, 2021 that it was dismissed as Humacyte's independent registered public accounting firm.

The report of Marcum on AHAC's financial statements as of and for the most recent fiscal year ending December 31, 2020 did not contain an adverse opinion or a disclaimer of opinion, and were not qualified or modified as to uncertainties, audit scope or accounting principles, except as follows: Marcum's report on AHAC's financial statements as of and for the fiscal year ending December 31, 2020 contained a separate paragraph stating, "As discussed in Note 2 to the financial statements, the accompanying financial statements as of December 31, 2020 and for the period from July 1, 2020 (inception) through December 31, 2020, have been restated."

During AHAC's fiscal year ending December 31, 2020 and the subsequent interim period through August 25, 2021, there were no disagreements between AHAC and Marcum on any matter of accounting principles or practices, financial disclosure or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of Marcum, would have caused it to make reference to the subject matter of the disagreements in its reports on AHAC's financial statements for such year.

During AHAC's fiscal year ending December 31, 2020 and the subsequent interim period through August 25, 2021, there were no "reportable events" (as defined in Item 304(a)(1)(v) of Regulation S-K ("Regulation S-K") under the Exchange Act), except that Marcum advised AHAC of the following material weakness: internal control over financial reporting did not result in sufficient risk assessment of the underlying accounting for certain financial instruments.

Humacyte provided Marcum with a copy of the foregoing disclosures and has requested that Marcum furnish Humacyte with a letter addressed to the SEC stating whether it agrees with the statements made by Humacyte set forth above. A copy of Marcum's letter, dated August 27, 2021, is filed as Exhibit 16.1 hereto.

During the fiscal year ending December 31, 2020 and the subsequent interim period through August 25, 2021, neither Humacyte, nor any party on behalf of Humacyte, consulted with PwC with respect to either (i) the application of accounting principles to a specified transaction, either completed or proposed, or the type of the audit opinion that might be rendered with respect to Humacyte's consolidated financial statements, and no written report or oral advice was provided to Humacyte by PwC that was an important factor considered by Humacyte in reaching a decision as to any accounting, auditing or financial reporting issue, or (ii) any matter that was subject to any disagreement (as that term is defined in Item 304(a)(1)(iv) of Regulation S-K and the related instructions) or a reportable event (as that term is defined in Item 304(a)(1)(v) of Regulation S-K).

Item 5.01. Changes in Control of Registrant.

Reference is made to the section of the Proxy Statement/Prospectus entitled "Proposal 1: The Business Combination Proposal—Summary of the Business Combination Agreement," beginning on page 93 of the Proxy Statement/Prospectus, which is incorporated herein by reference. Further reference is made to disclosure in the section entitled "Introductory Note" and in Item 2.01 of this Current Report, which is incorporated herein by reference.

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

Board of Directors

Upon the consummation of the Business Combination, each director of AHAC and each executive officer of AHAC ceased serving in such capacities, and 11 new directors were elected to the Board. The Board was divided into three staggered classes of directors and each director was assigned to one of the three classes. At each annual meeting of the stockholders of Humacyte, a class of directors will be elected for a three-year term to succeed the directors of the same class whose terms are then expiring. The Board consists of the following directors:

- Three Class I directors: Brady Dougan, Jeffrey H. Lawson, and Max Wallace.
- Four Class II directors: Gordon M. Binder, Todd M. Pope, Kathleen Sebelius, and Rajiv Shukla.
- Four Class III directors: Emery N. Brown, Michael T. Constantino, Laura E. Niklason, and Susan Windham-Bannister.

Ms. Sebelius serves as chair of the Board. The primary responsibilities of the Board are to provide risk oversight and strategic guidance to Humacyte and to counsel and direct Humacyte's management. The Board will meet on a regular basis and will convene additional meetings, as required. Fresenius Medical Care may designate one representative to attend, in a non-voting observer capacity, all meetings of the Board.

Furthermore, effective as of the Effective Time, the Board established four standing committees: an audit committee, a nominating and governance committee, a compensation committee and a commercial committee. The members of the audit committee are Messrs. Constantino and Pope, Ms. Sebelius and Dr. Windham-Bannister, and Mr. Constantino chairs the audit committee. The members of the nominating and governance committee are Messrs. Binder, Brown and Wallace, and Mr. Wallace chairs the nominating and governance committee. The members of the compensation committee are Messrs. Constantino and Pope, and Mr. Pope chairs the compensation committee. The members of the commercial committee are Messrs. Binder, Lawson, Pope, and Shukla and Dr. Windham-Bannister. There is no chair of the commercial committee.

Reference is made to the description of the compensation of the directors of Legacy Humacyte and of AHAC before the consummation of the Business Combination described in the Proxy Statement/Prospectus in the sections entitled "Information About Humacyte—Director Compensation" and "Information About AHAC—Executive Compensation—Executive Officer and Director Compensation," beginning on pages 245 and 167 of the Proxy Statement/Prospectus, respectively, which is incorporated herein by reference.

Humacyte's executive compensation program is designed to align compensation with business objectives and the creation of stockholder value, while enabling Humacyte to attract, retain, incentivize and reward individuals who contribute to its long-term success. Decisions regarding the executive compensation program are made by the compensation committee of the Board.

Executive Officers

Upon consummation of the Business Combination, the following individuals were appointed to serve as executive officers of Humacyte:

Name	Age	Position(s)
Laura E. Niklason	58	President, Chief Executive Officer and Director
Dale A. Sander	61	Chief Financial Officer, Chief Corporate Development Officer and Treasurer
Heather Prichard	44	Chief Operating Officer
William Tente	64	Chief Regulatory Officer
Jeffrey H. Lawson	57	Chief Surgical Officer and Director
Kiernan T. DeAngelis	51	Chief Medical Officer
William (B.J.) Scheessele	50	Chief Commercial Officer

Reference is made to the section of the Proxy Statement/Prospectus entitled "Management of the Combined Company," beginning on page 272 of the Proxy Statement/Prospectus, which is incorporated herein by reference.

William (B.J.) Scheessele has served as Humacyte's Chief Commercial Officer since August 2021. He served as Executive Vice President of Global Marketing for Quest Medical Imaging Inc. from 2018 to 2021. Previously, Mr. Scheessele served as Vice President, Marketing at Sientra, Inc., a medical device company, from 2017 to 2018. Prior to that, he served as Vice President of North America Marketing and Canada Country Manager, among other roles in sales and marketing, at LifeCell Corporation, a regenerative medicine company, from 2007 to 2016, and as Vice President, North American Marketing and Reimbursement at Allergan plc, a global biopharmaceutical company, from 2016 to 2017, after its acquisition of LifeCell Corporation. Earlier in his career, Mr. Scheessele worked in business development and product management with Cordis Corporation, a medical device company and subsidiary of Johnson & Johnson, from 1998 to 2007. Mr. Scheessele earned a BSE in biomedical engineering and economics and an MBA from Duke University.

Humacyte, Inc. 2021 Long-Term Incentive Plan

On the Closing Date, in connection with the consummation of the Business Combination, Humacyte adopted the 2021 Plan. The 2021 Plan is described in greater detail in the section of the Proxy Statement/Prospectus entitled "Proposal 6: The Incentive Plan Proposal," beginning on page 136 of the Proxy Statement/Prospectus. That summary and the foregoing description of the 2021 Plan do not purport to be complete and are qualified in their entirety by reference to the text of the 2021 Plan, which is attached as Exhibit 10.4 hereto and is incorporated herein by reference.

Humacyte, Inc. 2021 Employee Stock Purchase Plan

On the Closing Date, in connection with the consummation of the Business Combination, Humacyte adopted the ESPP. The ESPP is described in greater detail in the section of the Proxy Statement/Prospectus entitled "Proposal 7: The ESPP Proposal," beginning on page 142 of the Proxy Statement/Prospectus. That summary and the foregoing description of the ESPP do not purport to be complete and are qualified in their entirety by reference to the text of the ESPP, which is attached as Exhibit 10.5 hereto and is incorporated herein by reference.

Humacyte, Inc. Annual Bonus Plan

On the Closing Date, in connection with the consummation of the Business Combination, Humacyte adopted the Annual Bonus Plan. The Annual Bonus Plan is described in greater detail in the section of the Proxy Statement/Prospectus entitled "Information About Humacyte—Management's Discussion and Analysis of Financial Condition and Results of Operations—Equity Incentive and Other Compensation Plans—Annual Bonus Plan," beginning on page 237 of the Proxy Statement/Prospectus. That summary and the foregoing description of the Annual Bonus Plan do not purport to be complete and are qualified in their entirety by reference to the text of the Annual Bonus Plan, which is attached as Exhibit 10.8 hereto and is incorporated herein by reference.

Employment Arrangements with Named Executive Officers

Reference is made to the disclosure regarding Humacyte's employment arrangements with its named executive officers (the "named executive officers") in the section of the Proxy Statement/Prospectus entitled "Information About Humacyte—Executive Employment Agreements and Other Arrangements," beginning on page 233 of the Proxy Statement/Prospectus, which is incorporated herein by reference.

Potential Payments Upon Termination or Change of Control

The named executive officers hold stock options granted subject to the general terms of Legacy Humacyte's 2015 Omnibus Incentive Plan, as amended (the "2015 Plan") and 2005 Stock Option Plan, as amended (the "2005 Plan"). Humacyte also expects to grant to the named executive officers stock options subject to the general terms of the 2021 Plan. A description of the termination and change in control provisions in the 2021 Plan, the 2015 Plan and the 2005 Plan that are applicable to the stock options granted to the named executive officers under such plans is included in the sections of the Proxy Statement/Prospectus entitled "Information About Humacyte—Equity Incentive and Other Compensation Plans—2021 Plan—Corporate Transactions and Recapitalizations," "Information About Humacyte—Equity Incentive and Other Compensation Plans—2015 Omnibus Incentive Plan—Corporate Transactions" and "Information About Humacyte—Equity Incentive and Other Compensation Plans—2005 Stock Plan—Corporate Transactions," beginning on pages 240, 244 and 245 of the Proxy Statement/Prospectus, respectively. This summary does not purport to be complete and is qualified in its entirety by reference to the texts of the 2015 Plan and the 2005 Plan, which are attached as Exhibits 10.7 and 10.6 hereto and are incorporated herein by reference.

Indemnification Agreements

At the Effective Time, Humacyte entered into indemnification agreements with each of its directors and executive officers. These indemnification agreements provide the directors and executive officers with contractual rights to indemnification and advancement of certain expenses incurred by such director or executive officer in any action or proceeding arising out of his or her services as one of Humacyte's directors or executive officers.

The foregoing description of the indemnification agreements does not purport to be complete and is qualified in its entirety by the full text of the form of indemnification agreement, a copy of which is attached hereto as Exhibit 10.13 and is incorporated herein by reference.

Certain Relationships and Related Person Transactions

Reference is made to the section of the Proxy Statement/Prospectus entitled "Certain Relationships and Related Party Transactions," beginning on page 250 of the Proxy Statement/Prospectus, which is incorporated herein by reference.

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

On the Closing Date, Humacyte amended and restated its existing amended and restated certificate of incorporation (the "Charter"). A copy of the Charter is attached as Exhibit 3.1 hereto and is incorporated herein by reference.

Reference is made to the disclosure regarding the material changes to the Charter and the rights of Humacyte's stockholders set forth therein in the sections of the Proxy Statement/Prospectus entitled "Proposal 2: The Charter Amendment Proposal," "Description of New Humacyte's Securities After the Business Combination" and "Comparison of Stockholders' Rights," beginning on pages 129, 256 and 263 of the Proxy Statement/Prospectus, respectively, which are incorporated herein by reference.

Item 5.06. Change in Shell Company Status.

As a result of the Business Combination, AHAC ceased to be a shell company upon the Closing. The material terms of the Business Combination are described in the section of the Proxy Statement/Prospectus entitled "Proposal 1: The Business Combination Proposal," beginning on page 74 of the Proxy Statement/Prospectus, and are incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

On August 26, 2021, Humacyte issued a press release announcing the consummation of the Business Combination. Reference is made to such press release, which is furnished as Exhibit 99.3 hereto and is incorporated herein by reference. The foregoing (including Exhibit 99.3) is being furnished pursuant to Item 7.01 and will not be deemed to be filed for purposes of Section 18 of the Exchange Act, or otherwise be subject to the liabilities of that section, nor will it be deemed to be incorporated by reference in any filing under the Securities Act or the Exchange Act.

Item 9.01. Financial Statements and Exhibits.

(a) Financial statements of businesses acquired.

Reference is made to the audited consolidated financial statements of Legacy Humacyte as of and for the years ended December 31, 2020 and 2019, which are set forth in Exhibit 99.1 hereto and are incorporated herein by reference.

Reference is made to the unaudited financial statements of Legacy Humacyte as of and for the six months ended June 30, 2021 and 2020, which are set forth in Exhibit 99.1 hereto and are incorporated herein by reference.

(b) Pro forma financial information.

Reference is made to the unaudited pro forma condensed combined balance sheet as of June 30, 2021 and the unaudited pro forma condensed combined statements of operations for the year ended December 31, 2020 and the six months ended June 30, 2021, which are included as Exhibit 99.2 hereto and are incorporated herein by reference.

(d) Exhibits

Exhibit Number	Description
2.1*†	Business Combination Agreement, dated as of February 17, 2021, by and among Alpha Healthcare Acquisition Corp., Hunter Merger Sub, Inc. and Humacyte Global, Inc. (incorporated by reference to Annex A to the proxy statement/prospectus contained in Humacyte, Inc.'s Registration Statement on S-4/A, filed with the SEC on August 2, 2021).
3.1	Second Amended and Restated Certificate of Incorporation of Humacyte, Inc.
3.2	By Laws of Humacyte, Inc.
10.1*	Form of Subscription Agreement (incorporated by reference to Exhibit 10.3 to Humacyte, Inc.'s Registration Statement on S-4/A, filed with the SEC on August 2, 2021).
10.2*†	Form of Investor Rights and Lock-up Agreement (included as Exhibit A in Exhibit 2.1).
10.3*	Form of Lock-up Agreement (incorporated by reference to Exhibit 10.1 to Humacyte, Inc.'s Registration Statement on S-4/A, filed with the SEC on August 2, 2021).
10.4+	Humacyte, Inc. 2021 Long-Term Incentive Plan.
10.4.1+	Form of Stock Option Agreement under Humacyte, Inc. 2021 Long-Term Incentive Plan.
10.5+	Humacyte, Inc. 2021 Employee Stock Purchase Plan.
10.6*+	Humacyte, Inc. 2005 Stock Option Plan (incorporated by reference to Exhibit 10.18 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.6.1*+	First Amendment of Humacyte, Inc. 2005 Stock Option Plan, dated March 31, 2008 (incorporated by reference to Exhibit 10.18.1 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.6.2*+	Second Amendment of Humacyte, Inc. 2005 Stock Option Plan, dated October 28, 2011 (incorporated by reference to Exhibit 10.18.2 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.6.3*+	Third Amendment of Humacyte, Inc. 2005 Stock Option Plan, dated November 22, 2013 (incorporated by reference to Exhibit 10.18.3 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.6.4*+	Form of Incentive Stock Option Agreement under Humacyte, Inc. 2005 Stock Option Plan (incorporated by reference to Exhibit 10.18.4 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.6.5*+	Form of Nonqualified Stock Option Agreement under Humacyte, Inc. 2005 Stock Option Plan (incorporated by reference to Exhibit 10.18.5 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.7*+	Humacyte, Inc. 2015 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.19 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.7.1*+	First Amendment to Humacyte, Inc. 2015 Omnibus Incentive Plan, dated February 23, 2018 (incorporated by reference to Exhibit 10.19.1 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.7.2*+	Second Amendment to Humacyte, Inc. 2015 Omnibus Incentive Plan, dated June 6, 2018 (incorporated by reference to Exhibit 10.19.2 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).

10.7.3*+	Form of Incentive Stock Option Agreement under Humacyte, Inc. 2015 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.19.3 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.7.4*+	Form of Nonqualified Stock Option Agreement under Humacyte, Inc. 2015 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.19.4 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.8+	Humacyte, Inc. Annual Bonus Plan.
10.9*+†	Executive Employment Agreement, dated February 3, 2021, between Laura Niklason and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.13 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.10*+†	Executive Employment Agreement, dated June 19, 2018, between Jeffrey Lawson and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.14 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.10.1*+	Amendment to Executive Employment Agreement, dated February 3, 2021, between Jeffrey Lawson and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.14.1 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.11*+†	Executive Employment Agreement, dated September 13, 2019, between Heather Prichard and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.16 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.12*+†	Executive Employment Agreement, dated October 8, 2018, between Douglas Blankenship and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.15 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.12.1*+	Severance Agreement and Release, dated May 29, 2021, between Douglas Blankenship and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.25 to Humacyte, Inc.'s Registration Statement on S-4/A, filed with the SEC on June 14, 2021).
10.12.2*+	Consulting Agreement, dated May 17, 2021, between Douglas Blankenship and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.26 to Humacyte, Inc.'s Registration Statement on S-4/A, filed with the SEC on June 14, 2021).
10.13*+	Form of Indemnity Agreement by and between Humacyte, Inc. and each of its directors and executive officers (incorporated by reference to Exhibit 10.23 to Humacyte, Inc.'s Registration Statement on S-4/A, filed with the SEC on July 1, 2021).
10.14*	Loan and Security Agreement, dated March 30, 2021, by and among Silicon Valley Bank, SVB Innovation Credit Fund VIII, L.P. and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.6 to Humacyte, Inc.'s Registration Statement on S-4/A, filed with the SEC on June 14, 2021).
10.14.1*	First Amendment to Loan and Security Agreement, dated June 30, 2021, by and among Silicon Valley Bank, SVB Innovation Credit Fund VIII, L.P. and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.6.1 to Humacyte, Inc.'s Registration Statement on S-4/A, filed with the SEC on July 23, 2021).
10.14.2*	Warrant to Purchase Common Stock, dated March 30, 2021 (incorporated by reference to Exhibit 10.6.1 to Humacyte, Inc.'s Registration Statement on S-4/A, filed with the SEC on June 14, 2021).
10.14.3*	Warrant to Purchase Common Stock, dated March 30, 2021 (incorporated by reference to Exhibit 10.6.2 to Humacyte, Inc.'s Registration Statement on S-4/A, filed with the SEC on June 14, 2021).

10.15*^	Distribution Agreement, dated June 25, 2018, by and between Fresenius Medical Care Holdings, Inc. and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.6 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.15.1*^	First Amendment to Distribution Agreement, dated October 2, 2019, by and between Fresenius Medical Care Holdings, Inc. and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.6.1 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.15.2*^	Second Amendment to Distribution Agreement, effective as of February 16, 2021, by and between Fresenius Medical Care Holdings, Inc. and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.6.2 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.16*^	Exclusive License Agreement, dated February 25, 2014, by and between Yale University and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.8 to Humacyte, Inc.'s Registration Statement on S-4/A, filed with the SEC on June 14, 2021).
10.17*^	Exclusive License Agreement, dated August 13, 2019, by and between Yale University and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.9 to Humacyte, Inc.'s Registration Statement on S-4/A, filed with the SEC on June 14, 2021).
10.18*^	Exclusive License Agreement, dated August 25, 2019, by and between Yale University and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.10 to Humacyte, Inc.'s Registration Statement on S-4/A, filed with the SEC on June 14, 2021).
10.19*^	Exclusive Patent License Agreement, dated March 14, 2006, between Duke University and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.10 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.19.1*^	First Amendment to Exclusive Patent License Agreement, dated February 25, 2011, between Duke University and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.10.1 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.19.2*^	Second Amendment to Exclusive Patent License Agreement, dated April 24, 2014, between Duke University and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.10.2 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.19.3*^	Third Amendment to Exclusive Patent License Agreement, dated June 26, 2015, between Duke University and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.10.3 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.19.4*^	Fourth Amendment to Exclusive Patent License Agreement, dated January 2, 2018, between Duke University and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.10.4 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.19.5*^	Fifth Amendment to Exclusive Patent License Agreement, dated December 31, 2019, between Duke University and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.10.5 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.20*^	Supply Agreement, dated January 9, 2014, between SeraCare Life Sciences, Inc. and Humacyte, Inc. (incorporated by reference to Exhibit 10.11 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).

10.20.1*^	First Amendment to Supply Agreement, dated October 12, 2018, between SeraCare Life Sciences, Inc. and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.11.1 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.20.2*^†	Second Amendment to Supply Agreement, dated March 24, 2021, between SeraCare Life Sciences, Inc. and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.12.2 to Humacyte, Inc.'s Registration Statement on S-4/A, filed with the SEC on June 14, 2021).
10.21*^†	Supply Agreement, dated June 1, 2020, between Confluent Medical Technologies and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.13 to Humacyte, Inc.'s Registration Statement on S-4/A, filed with the SEC on June 14, 2021).
10.22*	Lease Agreement, dated December 31, 2015, between ARE-NC Region No. 5, LLC and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.22 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.22.1*	First Amendment to Lease, dated September 30, 2016, between ARE-NC Region No. 5, LLC and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.22.1 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.22.2*	Second Amendment to Lease, dated February 8, 2017, between ARE-NC Region No. 5, LLC and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.22.2 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.22.3*	Third Amendment to Lease, dated April 21, 2017, between ARE-NC Region No. 5, LLC and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.22.3 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
10.22.4*	Fourth Amendment to Lease, dated October 31, 2017, between ARE-NC Region No. 5, LLC and Humacyte Global, Inc. (incorporated by reference to Exhibit 10.22.4 to Humacyte, Inc.'s Registration Statement on S-4, filed with the SEC on March 23, 2021).
16.1	Letter from Marcum LLP to the SEC, dated August 27, 2021.
21.1	Subsidiaries of Humacyte, Inc.
99.1	Audited financial statements of Legacy Humacyte as of and for the years ended December 31, 2020 and 2019 and the unaudited financial statements of Legacy Humacyte as of and for the six months ended June 30, 2021 and 2020.
99.2	Unaudited pro forma condensed combined financial information of Humacyte, Inc. for the year ended December 31, 2020 and as of and for the six months ended June 30, 2021.
99.3	Press release dated August 26, 2021 announcing the closing of the Business Combination.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

* Previously filed.

+ Indicates management contract or compensatory plan.

† Annexes, schedules and exhibits to this Exhibit omitted pursuant to Item 601(b)(2) of Regulation S-K. The Registrant agrees to furnish supplementally a copy of any omitted schedule or exhibit to the SEC upon request.

^ Certain confidential information contained in this exhibit, market by brackets, has been omitted because the information (i) is not material and (ii) would be competitively harmful if disclosed.

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.

Dated: August 27, 2021

HUMACYTE, INC.

By: /s/ Laura Niklason
Name: Laura Niklason
Title: Chief Executive Officer

SECOND AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
ALPHA HEALTHCARE ACQUISITION CORP.

August 26, 2021

Alpha Healthcare Acquisition Corp., a corporation organized and existing under the laws of the State of Delaware (the "***Corporation***"), DOES HEREBY CERTIFY AS FOLLOWS:

1. The name of the Corporation is "***Alpha Healthcare Acquisition Corp.***". The original certificate of incorporation of the Corporation was filed with the Secretary of State of the State of Delaware on July 1, 2020 (the "***Original Certificate***"). The Corporation filed an amended and restated certificate of incorporation with the Secretary of State of the State of Delaware on September 17, 2020 (the "***Existing Certificate***").

2. This Second Amended and Restated Certificate of Incorporation (the "***Amended and Restated Certificate***"), which both restates and amends the provisions of the Existing Certificate, was duly adopted in accordance with Sections 242 and 245 of the General Corporation Law of the State of Delaware, as amended from time to time (the "***DGCL***").

3. This Amended and Restated Certificate shall become effective on the date of filing with Secretary of State of Delaware.

4. The text of the Existing Certificate is hereby restated and amended in its entirety to read as follows:

ARTICLE I
NAME

The name of the corporation is Humacyte, Inc. (the "***Corporation***").

ARTICLE II
PURPOSE

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL.

ARTICLE III
REGISTERED AGENT

The address of the Corporation's registered office in the State of Delaware is 251 Little Falls Drive, in the City of Wilmington, County of New Castle, State of Delaware, 19808, and the name of the Corporation's registered agent at such address is Corporation Service Company.

ARTICLE IV
CAPITALIZATION

Section 4.1 Authorized Capital Stock. The total number of shares of all classes of capital stock, each with a par value of $0.0001 per share, which the Corporation is authorized to issue is 270,000,000 shares, consisting of (a) 250,000,000 shares of common stock (the "***Common Stock***") and (b) 20,000,000 shares of preferred stock (the "***Preferred Stock***").

Section 4.2 Preferred Stock. The Board of Directors of the Corporation (the "***Board***") is hereby expressly authorized to provide out of the unissued shares of the Preferred Stock for one or more series of Preferred Stock and to establish from time to time the number of shares to be included in each such series and to fix the voting rights, if any, designations, powers, preferences and relative, participating, optional, special and other rights, if any, of each such series and any qualifications, limitations and restrictions thereof, as shall be stated in the resolution or resolutions adopted by the Board providing for the issuance of such series and included in a certificate of designation (a "***Preferred Stock Designation***") filed pursuant to the DGCL, and the Board is hereby expressly vested with the authority to the full extent provided by law, now or hereafter, to adopt any such resolution or resolutions.

Section 4.3 Common Stock.

(a) *Voting*.

(i) Except as otherwise required by law or this Amended and Restated Certificate (including any Preferred Stock Designation), the holders of the Common Stock shall exclusively possess all voting power with respect to the Corporation.

(ii) Except as otherwise required by law or this Amended and Restated Certificate (including any Preferred Stock Designation), the holders of shares of Common Stock shall be entitled to one vote for each such share on each matter properly submitted to the stockholders of the Corporation on which the holders of the Common Stock are entitled to vote.

(iii) Except as otherwise required by law or this Amended and Restated Certificate (including any Preferred Stock Designation), at any annual or special meeting of the stockholders of the Corporation, holders of Common Stock shall have the exclusive right to vote for the election of directors and on all other matters properly submitted to a vote of the stockholders. Notwithstanding the foregoing, except as otherwise required by law or this Amended and Restated Certificate (including any Preferred Stock Designation), holders of shares of Common Stock shall not be entitled to vote on any amendment to this Amended and Restated Certificate (including any amendment to any Preferred Stock Designation) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series of Preferred Stock are entitled exclusively, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Amended and Restated Certificate (including any Preferred Stock Designation) or the DGCL.

(b) *Dividends*. Subject to applicable law, the rights, if any, of the holders of any outstanding series of the Preferred Stock, the holders of shares of Common Stock shall be entitled to receive such dividends and other distributions (payable in cash, property or capital stock of the Corporation) when, as and if declared thereon by the Board from time to time out of any assets or funds of the Corporation legally available therefor and shall share equally on a per share basis in such dividends and distributions.

(c) *Liquidation, Dissolution or Winding Up of the Corporation*. Subject to applicable law, the rights, if any, of the holders of any outstanding series of the Preferred Stock, in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, after payment or provision for payment of the debts and other liabilities of the Corporation, the holders of shares of Common Stock shall be entitled to receive all the remaining assets of the Corporation available for distribution to its stockholders, ratably in proportion to the number of shares held by them.

Section 4.4 Rights and Options. The Corporation has the authority to create and issue rights, warrants and options entitling the holders thereof to acquire from the Corporation any shares of its capital stock of any class or classes, with such rights, warrants and options to be evidenced by or in instrument(s) approved by the Board. The Board is empowered to set the exercise price, duration, times for exercise and other terms and conditions of such rights, warrants or options; provided, however, that the consideration to be received for any shares of capital stock issuable upon exercise thereof may not be less than the par value thereof.

ARTICLE V
BOARD OF DIRECTORS

Section 5.1 Board Powers. The business and affairs of the Corporation shall be managed by, or under the direction of, the Board. In addition to the powers and authority expressly conferred upon the Board by statute, this Amended and Restated Certificate or the Bylaws of the Corporation ("***Bylaws***"), the Board is hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation, subject, nevertheless, to the provisions of the DGCL, this Amended and Restated Certificate, and any Bylaws adopted by the stockholders of the Corporation; provided, however, that no Bylaws hereafter adopted by the stockholders of the Corporation shall invalidate any prior act of the Board that would have been valid if such Bylaws had not been adopted.

Section 5.2 Number, Election and Term.

(a) The number of directors of the Corporation, other than those who may be elected by the holders of one or more series of the Preferred Stock voting separately by class or series, shall be fixed from time to time exclusively by the Board pursuant to a resolution adopted by a majority of the Board.

(b) Subject to Section 5.5 hereof, the Board shall be divided into three classes, as nearly equal in number as possible and designated Class I, Class II and Class III. The Board is authorized to assign members of the Board already in office to Class I, Class II or Class III. The term of the initial Class I Directors shall expire at the first annual meeting of the stockholders of the Corporation following the effectiveness of this Amended and Restated Certificate, the term of the initial Class II Directors shall expire at the second annual meeting of the stockholders of the Corporation following the effectiveness of this Amended and Restated Certificate and the term of the initial Class III Directors shall expire at the third annual meeting of the stockholders of the Corporation following the effectiveness of this Amended and Restated Certificate. At each succeeding annual meeting of the stockholders of the Corporation, beginning with the first annual meeting of the stockholders of the Corporation following the effectiveness of this Amended and Restated Certificate, each of the successors elected to replace the class of directors whose term expires at that annual meeting shall be elected for a three-year term or until the election and qualification of their respective successors in office, subject to their earlier death, resignation or removal. Subject to Section 5.5 hereof, if the number of directors that constitute the Board is changed, any increase or decrease shall be apportioned by the Board among the classes so as to maintain the number of directors in each class as nearly equal as possible, but in no case shall a decrease in the number of directors constituting the Board shorten the term of any incumbent director. Subject to the rights of the holders of one or more series of Preferred Stock, voting separately by class or series, to elect directors pursuant to the terms of one or more series of Preferred Stock, the election of directors shall be determined by a plurality of the votes cast by the stockholders present in person or represented by proxy at the meeting and entitled to vote thereon. The Board is hereby expressly authorized, by resolution or resolutions thereof, to assign members of the Board already in office to the aforesaid classes at the time this Amended and Restated Certificate (and therefore such classification) becomes effective in accordance with the DGCL.

(c) Subject to Section 5.5 hereof, a director shall hold office until the annual meeting for the year in which his or her term expires and until his or her successor has been elected and qualified, subject, however, to such director's earlier death, resignation, retirement, disqualification or removal.

(d) Unless and except to the extent that the Bylaws shall so require, the election of directors need not be by written ballot. The holders of shares of Common Stock shall not have cumulative voting rights with regard to election of directors.

Section 5.3 Newly Created Directorships and Vacancies. Subject to Section 5.5 hereof, newly created directorships resulting from an increase in the number of directors and any vacancies on the Board resulting from death, resignation, retirement, disqualification, removal or other cause may be filled solely and exclusively by a majority vote of the remaining directors then in office, even if less than a quorum, or by a sole remaining director (and not by stockholders), and any director so chosen shall hold office for the remainder of the full term of the class of directors to which the new directorship was added or in which the vacancy occurred and until his or her successor has been elected and qualified, subject, however, to such director's earlier death, resignation, retirement, disqualification or removal.

Section 5.4 Removal. Subject to Section 5.5 hereof, any or all of the directors may be removed from office at any time, but only for cause and only by the affirmative vote of holders of at least sixty-six and two -thirds percent (66 2/3%) of the voting power of the then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class.

Section 5.5 Preferred Stock - Directors. Notwithstanding any other provision of this *Article V*, and except as otherwise required by law, whenever the holders of one or more series of the Preferred Stock shall have the right, voting separately by class or series, to elect one or more directors, the term of office, the filling of vacancies, the removal from office and other features of such directorships shall be governed by the terms of such series of the Preferred Stock as set forth in this Amended and Restated Certificate (including any Preferred Stock Designation) and such directors shall not be included in any of the classes created pursuant to this *Article V* unless expressly provided by such terms.

ARTICLE VI
BYLAWS

In furtherance and not in limitation of the powers conferred upon it by law, the Board shall have the power and is expressly authorized to adopt, amend, alter or repeal the Bylaws. The affirmative vote of a majority of the Board shall be required to adopt, amend, alter or repeal the Bylaws. The Bylaws also may be adopted, amended, altered or repealed by the stockholders; provided, however, that in addition to any vote of the holders of any class or series of capital stock of the Corporation required by law or by this Amended and Restated Certificate (including any Preferred Stock Designation), the affirmative vote of the holders of at least a majority of the voting power of all then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required for the stockholders to adopt, amend, alter or repeal the Bylaws; and provided further, however, that no Bylaws hereafter adopted by the stockholders shall invalidate any prior act of the Board that would have been valid if such Bylaws had not been adopted.

ARTICLE VII
SPECIAL MEETINGS OF STOCKHOLDERS; ADVANCE NOTICE; NO ACTION BY WRITTEN CONSENT

Section 7.1 Special Meetings. Subject to the rights, if any, of the holders of any outstanding series of the Preferred Stock, and to the requirements of applicable law, special meetings of stockholders of the Corporation may be called only by the Chairman of the Board, the Chief Executive Officer of the Corporation, or the Board pursuant to a resolution adopted by a majority of the Board, and the ability of the stockholders of the Corporation to call a special meeting is hereby specifically denied. Except as provided in the foregoing sentence, special meetings of stockholders of the Corporation may not be called by another person or persons.

Section 7.2 Advance Notice. Advance notice of stockholder nominations for the election of directors and of business to be brought by stockholders before any meeting of the stockholders of the Corporation shall be given in the manner provided in the Bylaws.

Section 7.3 No Action by Written Consent. Any action required or permitted to be taken by the stockholders of the Corporation must be effected by a duly called annual or special meeting of such stockholders and may not be effected by written consent of the stockholders.

ARTICLE VIII
LIMITED LIABILITY; INDEMNIFICATION

Section 8.1 Limitation of Director Liability. A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except to the extent such exemption from liability or limitation thereof is not permitted under the DGCL as the same exists or may hereafter be amended unless they violated their duty of loyalty to the Corporation or its stockholders, acted in bad faith, knowingly or intentionally violated the law, authorized unlawful payments of dividends, unlawful stock purchases or unlawful redemptions, or derived improper personal benefit from their actions as directors. Any amendment, modification or repeal of the foregoing sentence shall not adversely affect any right or protection of a director of the Corporation hereunder in respect of any act or omission occurring prior to the time of such amendment, modification or repeal.

Section 8.2 Indemnification and Advancement of Expenses.

(a) To the fullest extent permitted by applicable law, as the same exists or may hereafter be amended, the Corporation shall indemnify and hold harmless each person who is or was made a party or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (a "***proceeding***") by reason of the fact that he or she is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, other enterprise or nonprofit entity, including service with respect to an employee benefit plan (an "***indemnitee***"), whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent, or in any other capacity while serving as a director, officer, employee or agent, against all liability and loss suffered and expenses (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes and penalties and amounts paid in settlement) reasonably incurred by such indemnitee in connection with such proceeding. The Corporation shall to the fullest extent not prohibited by applicable law pay the expenses (including attorneys' fees) incurred by an indemnitee in defending or otherwise participating in any proceeding in advance of its final disposition; provided, however, that, to the extent required by applicable law, such payment of expenses in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking, by or on behalf of the indemnitee, to repay all amounts so advanced if it shall ultimately be determined that the indemnitee is not entitled to be indemnified under this Section 8.2 or otherwise. The rights to indemnification and advancement of expenses conferred by this Section 8.2 shall be contract rights and such rights shall continue as to an indemnitee who has ceased to be a director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators. Notwithstanding the foregoing provisions of this Section 8.2(a), except for proceedings to enforce rights to indemnification and advancement of expenses, the Corporation shall indemnify and advance expenses to an indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized by the Board.

(b) The rights to indemnification and advancement of expenses conferred on any indemnitee by this Section 8.2 shall not be exclusive of any other rights that any indemnitee may have or hereafter acquire under law, this Amended and Restated Certificate, the Bylaws, an agreement, vote of stockholders or disinterested directors, or otherwise.

(c) Any repeal or amendment of this Section 8.2 by the stockholders of the Corporation or by changes in law, or the adoption of any other provision of this Amended and Restated Certificate inconsistent with this Section 8.2, shall, unless otherwise required by law, be prospective only (except to the extent such amendment or change in law permits the Corporation to provide broader indemnification rights on a retroactive basis than permitted prior thereto), and shall not in any way diminish or adversely affect any right or protection existing at the time of such repeal or amendment or adoption of such inconsistent provision in respect of any proceeding (regardless of when such proceeding is first threatened, commenced or completed) arising out of, or related to, any act or omission occurring prior to such repeal or amendment or adoption of such inconsistent provision.

(d) This Section 8.2 shall not limit the right of the Corporation, to the extent and in the manner authorized or permitted by law, to indemnify and to advance expenses to persons other than indemnitees.

ARTICLE IX
AMENDMENT OF AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

The Corporation reserves the right at any time and from time to time to amend, alter, change or repeal any provision contained in this Amended and Restated Certificate (including any Preferred Stock Designation), and other provisions authorized by the laws of the State of Delaware at the time in force that may be added or inserted, in the manner now or hereafter prescribed by this Amended and Restated Certificate and the DGCL; and, except as set forth in *Article VIII*, all rights, preferences and privileges of whatever nature herein conferred upon stockholders, directors or any other persons by and pursuant to this Amended and Restated Certificate in its present form or as hereafter amended are granted subject to the right reserved in this *Article XI*. Notwithstanding any other provisions of this Amended and Restated Certificate of Incorporation or any provision of applicable law which might otherwise permit a lesser vote, but in addition to any affirmative vote of the holders of any particular class or series of the capital stock of the Corporation required by law or by this Amended and Restated Certificate of Incorporation or any certificate of designation filed with respect to a series of Preferred Stock, the affirmative vote of (i) two-thirds (2/3) of the directors then in office and (ii) the holders of at least sixty -six and two-thirds percent (66 2/3%) of the then outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend, alter, change or repeal *Article V* and *Article IX*.

ARTICLE X
EXCLUSIVE FORUM FOR CERTAIN LAWSUITS; CONSENT TO JURISDICTION

Section 10.1 Forum. Subject to the last sentence in this Section 10.1, and unless the Corporation consents in writing to the selection of an alternative forum, to the fullest extent permitted by the applicable law, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation, its directors, officers or employees arising pursuant to any provision of the DGCL or this Amended and Restated Certificate or the Bylaws, or (iv) any action asserting a claim against the Corporation, its directors, officers or employees governed by the internal affairs doctrine and, if brought outside of Delaware, the stockholder bringing the suit will be deemed to have consented to service of process on such stockholder's counsel except any action (A) as to which the Court of Chancery in the State of Delaware determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), (B) which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or (C) for which the Court of Chancery does not have subject matter jurisdiction. Notwithstanding the foregoing, (i) the provisions of this Section 10.1 will not apply to suits brought to enforce any liability or duty created by the Securities Exchange Act of 1934, as amended, or any other claim for which the federal courts have exclusive jurisdiction and (ii) unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933, as amended, or the rules and regulations promulgated thereunder.

Section 10.2 Consent to Jurisdiction. If any action the subject matter of which is within the scope of Section 10.1 immediately above is filed in a court other than a court located within the State of Delaware (a "***Foreign Action***") in the name of any stockholder, such stockholder shall be deemed to have consented to (i) the personal jurisdiction of the state and federal courts located within the State of Delaware in connection with any action brought in any such court to enforce Section 10.1 immediately above (an "***FSC Enforcement Action***") and (ii) having service of process made upon such stockholder in any such FSC Enforcement Action by service upon such stockholder's counsel in the Foreign Action as agent for such stockholder.

Section 10.3 Severability. If any provision or provisions of this *Article X* shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this *Article X* (including, without limitation, each portion of any sentence of this *Article X* containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby. Any person or entity purchasing or otherwise acquiring any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this *Article X*.

Section 10.4 Deemed Notice. Any person or entity purchasing or otherwise acquiring or holding any interest in any security of the Corporation shall be deemed to have notice of and consented to this *Article X*.

IN WITNESS WHEREOF, Alpha Healthcare Acquisition Corp. has caused this Amended and Restated Certificate to be duly executed and acknowledged in its name and on its behalf by an authorized officer as of the date first set forth above.

ALPHA HEALTHCARE ACQUISITION CORP.

By: /s/ Rajiv Shukla
Name: Rajiv Shukla
Title: Chief Executive Officer

Exhibit 3.2

BY LAWS
OF
HUMACYTE, INC.
(THE "CORPORATION")

ARTICLE I

OFFICES

Section 1.1. Registered Office. The registered office of the Corporation within the State of Delaware shall be located at either (a) the principal place of business of the Corporation in the State of Delaware or (b) the office of the corporation or individual acting as the Corporation's registered agent in Delaware.

Section 1.2. Additional Offices. The Corporation may, in addition to its registered office in the State of Delaware, have such other offices and places of business, both within and outside the State of Delaware, as the Board of Directors of the Corporation (the "***Board***") may from time to time determine or as the business and affairs of the Corporation may require.

ARTICLE II

STOCKHOLDERS MEETINGS

Section 2.1. Annual Meetings. The annual meeting of stockholders shall be held at such place, either within or without the State of Delaware, and time and on such date as shall be determined by the Board and stated in the notice of the meeting, provided that the Board may in its sole discretion determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication pursuant to **Section 9.5(a)**. At each annual meeting, the stockholders entitled to vote on such matters shall elect those directors of the Corporation to fill any term of a directorship that expires on the date of such annual meeting and may transact any other business as may properly be brought before the meeting.

Section 2.2. Special Meetings. Subject to the rights of the holders of any outstanding series of the preferred stock of the Corporation ("***Preferred Stock***"), and to the requirements of applicable law, special meetings of stockholders, for any purpose or purposes, may be called only by the Chairman of the Board, or a Chief Executive Officer, or the Board pursuant to a resolution adopted by a majority of the Board, and may not be called by any other person. Special meetings of stockholders shall be held at such place, either within or without the State of Delaware, and at such time and on such date as shall be determined by the Board and stated in the Corporation's notice of the meeting, provided that the Board may in its sole discretion determine that the meeting shall not be held at any place, but may instead be held solely by means of remote communication pursuant to **Section 9.5(a)**.

Section 2.3. Notices. Written notice of each stockholders meeting stating the place, if any, date, and time of the meeting, and the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting and the record date for determining the stockholders entitled to vote at the meeting, if such date is different from the record date for determining stockholders entitled to notice of the meeting, shall be given in the manner permitted by **Section 9.3** to each stockholder entitled to vote thereat as of the record date for determining the stockholders entitled to notice of the meeting, by the Corporation not less than 10 nor more than 60 days before the date of the meeting unless otherwise required by the General Corporation Law of the State of Delaware (the "***DGCL***"). If said notice is for a stockholders meeting other than an annual meeting, it shall in addition state the purpose or purposes for which the meeting is called, and the business transacted at such meeting shall be limited to the matters so stated in the Corporation's notice of meeting (or any supplement thereto). Any meeting of stockholders as to which notice has been given may be postponed, and any meeting of stockholders as to which notice has been given may be cancelled, by the Board upon public announcement (as defined in **Section 2.7(c)**) given before the date previously scheduled for such meeting.

Section 2.4. Quorum. Except as otherwise provided by applicable law, the Corporation's Certificate of Incorporation, as the same may be amended or restated from time to time (the "***Certificate of Incorporation***") or these By Laws, the presence, in person or by proxy, at a stockholders meeting of the holders of shares of outstanding capital stock of the Corporation representing a majority of the voting power of all outstanding shares of capital stock of the Corporation entitled to vote at such meeting shall constitute a quorum for the transaction of business at such meeting, except that when specified business is to be voted on by a class or series of stock voting as a class, the holders of shares representing a majority of the voting power of the outstanding shares of such class or series shall constitute a quorum of such class or series for the transaction of such business. If a quorum shall not be present or represented by proxy at any meeting of the stockholders of the Corporation, the chairman of the meeting may adjourn the meeting from time to time in the manner provided in **Section 2.6** until a quorum shall attend. The stockholders present at a duly convened meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum. Shares of its own stock belonging to the Corporation or to another corporation, if a majority of the voting power of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the Corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the Corporation or any such other corporation to vote shares held by it in a fiduciary capacity.

Section 2.5. Voting of Shares.

(a) Voting Lists. The Secretary of the Corporation (the "***Secretary***") shall prepare, or shall cause the officer or agent who has charge of the stock ledger of the Corporation to prepare and make, at least 10 days before every meeting of stockholders, a complete list of the stockholders of record entitled to vote at such meeting; provided, however, that if the record date for determining the stockholders entitled to vote is less than 10 days before the meeting date, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date, arranged in alphabetical order and showing the address and the number and class of shares registered in the name of each stockholder. Nothing contained in this **Section 2.5(a)** shall require the Corporation to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours for a period of at least 10 days prior to the meeting: (i) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, or (ii) during ordinary business hours, at the principal place of business of the Corporation. In the event that the Corporation determines to make the list available on an electronic network, the Corporation may take reasonable steps to ensure that such information is available only to stockholders of the Corporation. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If a meeting of stockholders is to be held solely by means of remote communication as permitted by **Section 9.5(a)**, the list shall be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of meeting. The stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list required by this **Section 2.5(a)** or to vote in person or by proxy at any meeting of stockholders.

(b) Manner of Voting. At any stockholders meeting, every stockholder entitled to vote may vote in person or by proxy. If authorized by the Board, the voting by stockholders or proxy holders at any meeting conducted by remote communication may be effected by a ballot submitted by electronic transmission (as defined in **Section 9.3**), provided that any such electronic transmission must either set forth or be submitted with information from which the Corporation can determine that the electronic transmission was authorized by the stockholder or proxy holder. The Board, in its discretion, or the chairman of the meeting of stockholders, in such person's discretion, may require that any votes cast at such meeting shall be cast by written ballot.

(c) Proxies. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. Proxies need not be filed with the Secretary until the meeting is called to order, but shall be filed with the Secretary before being voted. Without limiting the manner in which a stockholder may authorize another person or persons to act for such stockholder as proxy, either of the following shall constitute a valid means by which a stockholder may grant such authority. No stockholder shall have cumulative voting rights.

(i) A stockholder may execute a writing authorizing another person or persons to act for such stockholder as proxy. Execution may be accomplished by the stockholder or such stockholder's authorized officer, director, employee or agent signing such writing or causing such person's signature to be affixed to such writing by any reasonable means, including, but not limited to, by facsimile signature.

(ii) A stockholder may authorize another person or persons to act for such stockholder as proxy by transmitting or authorizing the transmission of an electronic transmission to the person who will be the holder of the proxy or to a proxy solicitation firm, proxy support service organization or like agent duly authorized by the person who will be the holder of the proxy to receive such transmission, provided that any such electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the stockholder. Any copy, facsimile telecommunication or other reliable reproduction of the writing or transmission authorizing another person or persons to act as proxy for a stockholder may be substituted or used in lieu of the original writing or transmission for any and all purposes for which the original writing or transmission could be used; provided that such copy, facsimile telecommunication or other reproduction shall be a complete reproduction of the entire original writing or transmission.

(d) Required Vote. Subject to the rights of the holders of one or more series of Preferred Stock, voting separately by class or series, to elect directors pursuant to the terms of one or more series of Preferred Stock, at all meetings of stockholders at which a quorum is present, the election of directors shall be determined by a plurality of the votes cast by the stockholders present in person or represented by proxy at the meeting and entitled to vote thereon. All other matters presented to the stockholders at a meeting at which a quorum is present shall be determined by the vote of a majority of the votes cast by the stockholders present in person or represented by proxy at the meeting and entitled to vote thereon, unless the matter is one upon which, by applicable law, the Certificate of Incorporation, these By Laws or applicable stock exchange rules, a different vote is required, in which case such provision shall govern and control the decision of such matter.

(e) Inspectors of Election. The Board may, and shall if required by law, in advance of any meeting of stockholders, appoint one or more persons as inspectors of election, who may be employees of the Corporation or otherwise serve the Corporation in other capacities, to act at such meeting of stockholders or any adjournment thereof and to make a written report thereof. The Board may appoint one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspectors of election or alternates are appointed by the Board, the chairman of the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before discharging his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspectors shall ascertain and report the number of outstanding shares and the voting power of each; determine the number of shares present in person or represented by proxy at the meeting and the validity of proxies and ballots; count all votes and ballots and report the results; determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors; and certify their determination of the number of shares represented at the meeting and their count of all votes and ballots. No person who is a candidate for an office at an election may serve as an inspector at such election. Each report of an inspector shall be in writing and signed by the inspector or by a majority of them if there is more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors.

Section 2.6. Adjournments. Any meeting of stockholders, annual or special, may be adjourned by the chairman of the meeting, from time to time, whether or not there is a quorum, to reconvene at the same or some other place. Notice need not be given of any such adjourned meeting if the date, time, and place, if any, thereof, and the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting are announced at the meeting at which the adjournment is taken. At the adjourned meeting the stockholders, or the holders of any class or series of stock entitled to vote separately as a class, as the case may be, may transact any business that might have been transacted at the original meeting. If the adjournment is for more than 30 days, notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for stockholders entitled to vote is fixed for the adjourned meeting, the Board shall fix a new record date for notice of such adjourned meeting in accordance with **Section 9.2**, and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at such adjourned meeting as of the record date fixed for notice of such adjourned meeting.

Section 2.7. Advance Notice for Business.

(a) Annual Meetings of Stockholders. No business may be transacted at an annual meeting of stockholders, other than business that is either (i) specified in the Corporation's notice of meeting (or any supplement thereto) given by or at the direction of the Board, (ii) otherwise properly brought before the annual meeting by or at the direction of the Board or (iii) otherwise properly brought before the annual meeting by any stockholder of the Corporation (x) who is a stockholder of record entitled to vote at such annual meeting on the date of the giving of the notice provided for in this **Section 2.7(a)** and on the record date for the determination of stockholders entitled to vote at such annual meeting and (y) who complies with the notice procedures set forth in this **Section 2.7(a)**. Notwithstanding anything in this **Section 2.7(a)** to the contrary, only persons nominated for election as a director to fill any term of a directorship that expires on the date of the annual meeting pursuant to **Section 3.2** will be considered for election at such meeting.

(i) In addition to any other applicable requirements, for business (other than nominations) to be properly brought before an annual meeting by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary and such business must otherwise be a proper matter for stockholder action. Subject to **Section 2.7(a)(iii)**, a stockholder's notice to the Secretary with respect to such business, to be timely, must be received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the 90th day nor earlier than the opening of business on the 120th day before the anniversary date of the immediately preceding annual meeting of stockholders; provided, however, that in the event that the annual meeting is more than 30 days before or more than 60 days after such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the 120th day before the meeting and not later than the later of (x) the close of business on the 90th day before the meeting or (y) the close of business on the 10th day following the day on which public announcement of the date of the annual meeting is first made by the Corporation. The public announcement of an adjournment or postponement of an annual meeting shall not commence a new time period (or extend any time period) for the giving of a stockholder's notice as described in this **Section 2.7(a)**.

(ii) To be in proper written form, a stockholder's notice to the Secretary with respect to any business (other than nominations) must set forth as to each such matter such stockholder proposes to bring before the annual meeting (A) a brief description of the business desired to be brought before the annual meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event such business includes a proposal to amend these By Laws, the language of the proposed amendment) and the reasons for conducting such business at the annual meeting, (B) the name and record address of such stockholder and the name and address of the beneficial owner, if any, on whose behalf the proposal is made, (C) the class or series and number of shares of capital stock of the Corporation that are owned beneficially and of record by such stockholder and by the beneficial owner, if any, on whose behalf the proposal is made, (D) a description of all arrangements or understandings between such stockholder and the beneficial owner, if any, on whose behalf the proposal is made and any other person or persons (including their names) in connection with the proposal of such business by such stockholder, (E) any material interest of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made in such business and (F) a representation that such stockholder (or a qualified representative of such stockholder) intends to appear in person or by proxy at the annual meeting to bring such business before the meeting.

(iii) The foregoing notice requirements of this **Section 2.7(a)** shall be deemed satisfied by a stockholder as to any proposal (other than nominations) if the stockholder has notified the Corporation of such stockholder's intention to present such proposal at an annual meeting in compliance with Rule 14a-8 (or any successor thereof) of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"), and such stockholder has complied with the requirements of such Rule for inclusion of such proposal in a proxy statement prepared by the Corporation to solicit proxies for such annual meeting. No business shall be conducted at the annual meeting of stockholders except business brought before the annual meeting in accordance with the procedures set forth in this **Section 2.7(a)**, provided, however, that once business has been properly brought before the annual meeting in accordance with such procedures, nothing in this **Section 2.7(a)** shall be deemed to preclude discussion by any stockholder of any such business. If the Board or the chairman of the annual meeting determines that any stockholder proposal was not made in accordance with the provisions of this **Section 2.7(a)** or that the information provided in a stockholder's notice does not satisfy the information requirements of this **Section 2.7(a)**, such proposal shall not be presented for action at the annual meeting. Notwithstanding the foregoing provisions of this **Section 2.7(a)**, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual meeting of stockholders of the Corporation to present the proposed business, such proposed business shall not be transacted, notwithstanding that proxies in respect of such matter may have been received by the Corporation.

(iv) In addition to the provisions of this **Section 2.7(a)**, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth herein. Nothing in this **Section 2.7(a)** shall be deemed to affect any rights of stockholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

(b) Special Meetings of Stockholders. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of persons for election to the Board may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting only pursuant to **Section 3.2**.

(c) Public Announcement. For purposes of these By Laws, "***public announcement***" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act (or any successor thereto).

Section 2.8. Conduct of Meetings. The chairman of each annual and special meeting of stockholders shall be the Chairman of the Board or, in the absence (or inability or refusal to act) of the Chairman of the Board, any Chief Executive Officer (if he or she shall be a director) or, in the absence (or inability or refusal to act of a Chief Executive Officer or if a Chief Executive Officer is not a director, the President (if he or she shall be a director) or, in the absence (or inability or refusal to act) of the President or if the President is not a director, such other person as shall be appointed by the Board. The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the chairman of the meeting. The Board may adopt such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with these By Laws or such rules and regulations as adopted by the Board, the chairman of any meeting of stockholders shall have the right and authority to convene and to adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such chairman, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board or prescribed by the chairman of the meeting, may include, without limitation, the following: (a) the establishment of an agenda or order of business for the meeting; (b) rules and procedures for maintaining order at the meeting and the safety of those present; (c) limitations on attendance at or participation in the meeting to stockholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the chairman of the meeting shall determine; (d) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (e) limitations on the time allotted to questions or comments by participants. Unless and to the extent determined by the Board or the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure. The secretary of each annual and special meeting of stockholders shall be the Secretary or, in the absence (or inability or refusal to act) of the Secretary, an Assistant Secretary so appointed to act by the chairman of the meeting. In the absence (or inability or refusal to act) of the Secretary and all Assistant Secretaries, the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 2.9. Consents in Lieu of Meeting. Unless otherwise provided by the Certificate of Incorporation, until the Corporation consummates an initial public offering ("***Offering***"), any action required to be taken at any annual or special meeting of stockholders, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock entitled to vote thereon having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted, and shall be delivered to the Corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the Corporation's registered office shall be by hand or by certified or registered mail, return receipt requested.

Every written consent shall bear the date of signature of each stockholder who signs the consent, and no written consent shall be effective to take the corporate action referred to therein unless, within 60 days of the earliest dated consent delivered in the manner required by this section and the DGCL to the Corporation, written consents signed by a sufficient number of holders entitled to vote to take action are delivered to the Corporation by delivery to its registered office in Delaware, its principal place of business or an officer or agent of the Corporation having custody of the book in which proceedings of meetings of stockholders are recorded. Delivery made to the Corporation's registered office shall be by hand or by certified or registered mail, return receipt requested.

ARTICLE III

DIRECTORS

Section 3.1. Powers; Number. The business and affairs of the Corporation shall be managed by or under the direction of the Board, which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Certificate of Incorporation or by these By Laws required to be exercised or done by the stockholders. Directors need not be stockholders or residents of the State of Delaware. Subject to the Certificate of Incorporation, the number of directors shall be fixed exclusively by resolution of the Board.

Section 3.2. Advance Notice for Nomination of Directors.

(a) Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation, except as may be otherwise provided by the terms of one or more series of Preferred Stock with respect to the rights of holders of one or more series of Preferred Stock to elect directors. Nominations of persons for election to the Board at any annual meeting of stockholders, or at any special meeting of stockholders called for the purpose of electing directors as set forth in the Corporation's notice of such special meeting, may be made (i) by or at the direction of the Board or (ii) by any stockholder of the Corporation (x) who is a stockholder of record entitled to vote in the election of directors on the date of the giving of the notice provided for in this **Section 3.2** and on the record date for the determination of stockholders entitled to vote at such meeting and (y) who complies with the notice procedures set forth in this **Section 3.2**.

(b) In addition to any other applicable requirements, for a nomination to be made by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary. To be timely, a stockholder's notice to the Secretary must be received by the Secretary at the principal executive offices of the Corporation (i) in the case of an annual meeting, not later than the close of business on the 90th day nor earlier than the opening of business on the 120th day before the anniversary date of the immediately preceding annual meeting of stockholders; provided, however, that in the event that the annual meeting is more than 30 days before or more than 60 days after such anniversary date, notice by the stockholder to be timely must be so received not earlier than the opening of business on the 120th day before the meeting and not later than the later of (x) the close of business on the 90th day before the meeting or (y) the close of business on the 10th day following the day on which public announcement of the date of the annual meeting was first made by the Corporation; and (ii) in the case of a special meeting of stockholders called for the purpose of electing directors, not later than the close of business on the 10th day following the day on which public announcement of the date of the special meeting is first made by the Corporation. In no event shall the public announcement of an adjournment or postponement of an annual meeting or special meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described in this **Section 3.2**.

(c) Notwithstanding anything in paragraph (b) to the contrary, in the event that the number of directors to be elected to the Board at an annual meeting is greater than the number of directors whose terms expire on the date of the annual meeting and there is no public announcement by the Corporation naming all of the nominees for the additional directors to be elected or specifying the size of the increased Board before the close of business on the 90th day prior to the anniversary date of the immediately preceding annual meeting of stockholders, a stockholder's notice required by this **Section 3.2** shall also be considered timely, but only with respect to nominees for the additional directorships created by such increase that are to be filled by election at such annual meeting, if it shall be received by the Secretary at the principal executive offices of the Corporation not later than the close of business on the 10th day following the date on which such public announcement was first made by the Corporation.

(d) To be in proper written form, a stockholder's notice to the Secretary must set forth (i) as to each person whom the stockholder proposes to nominate for election as a director (A) the name, age, business address and residence address of the person, (B) the principal occupation or employment of the person, (C) the class or series and number of shares of capital stock of the Corporation that are owned beneficially or of record by the person and (D) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder; and (ii) as to the stockholder giving the notice (A) the name and record address of such stockholder as they appear on the Corporation's books and the name and address of the beneficial owner, if any, on whose behalf the nomination is made, (B) the class or series and number of shares of capital stock of the Corporation that are owned beneficially and of record by such stockholder and the beneficial owner, if any, on whose behalf the nomination is made, (C) a description of all arrangements or understandings relating to the nomination to be made by such stockholder among such stockholder, the beneficial owner, if any, on whose behalf the nomination is made, each proposed nominee and any other person or persons (including their names), (D) a representation that such stockholder (or a qualified representative of such stockholder) intends to appear in person or by proxy at the meeting to nominate the persons named in its notice and (E) any other information relating to such stockholder and the beneficial owner, if any, on whose behalf the nomination is made that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected.

(e) If the Board or the chairman of the meeting of stockholders determines that any nomination was not made in accordance with the provisions of this **Section 3.2**, or that the information provided in a stockholder's notice does not satisfy the information requirements of this **Section 3.2**, then such nomination shall not be considered at the meeting in question. Notwithstanding the foregoing provisions of this **Section 3.2**, if the stockholder (or a qualified representative of the stockholder) does not appear at the meeting of stockholders of the Corporation to present the nomination, such nomination shall be disregarded, notwithstanding that proxies in respect of such nomination may have been received by the Corporation.

(f) In addition to the provisions of this **Section 3.2**, a stockholder shall also comply with all of the applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth herein. Nothing in this **Section 3.2** shall be deemed to affect any rights of the holders of Preferred Stock to elect directors pursuant to the Certificate of Incorporation.

Section 3.3. Compensation. Unless otherwise restricted by the Certificate of Incorporation or these By Laws, the Board shall have the authority to fix the compensation of directors, including for service on a committee of the Board, and may be paid either a fixed sum for attendance at each meeting of the Board or other compensation as director. The directors may be reimbursed their expenses, if any, of attendance at each meeting of the Board. No such payment shall preclude any director from serving the Corporation in any other capacity and receiving compensation therefor. Members of committees of the Board may be allowed like compensation and reimbursement of expenses for service on the committee.

ARTICLE IV

BOARD MEETINGS

Section 4.1. Annual Meetings. The Board shall meet as soon as practicable after the adjournment of each annual stockholders meeting at the place of the annual stockholders meeting unless the Board shall fix another time and place and give notice thereof in the manner required herein for special meetings of the Board. No notice to the directors shall be necessary to legally convene this meeting, except as provided in this **Section 4.1**.

Section 4.2. Regular Meetings. Regularly scheduled, periodic meetings of the Board may be held without notice at such times, dates and places (within or without the State of Delaware) as shall from time to time be determined by the Board.

Section 4.3. Special Meetings. Special meetings of the Board (a) may be called by the Chairman of the Board or President and (b) shall be called by the Chairman of the Board, President or Secretary on the written request of at least a majority of directors then in office, or the sole director, as the case may be, and shall be held at such time, date and place (within or without the State of Delaware) as may be determined by the person calling the meeting or, if called upon the request of directors or the sole director, as specified in such written request. Notice of each special meeting of the Board shall be given, as provided in **Section 9.3**, to each director (i) at least 24 hours before the meeting if such notice is oral notice given personally or by telephone or written notice given by hand delivery or by means of a form of electronic transmission and delivery; (ii) at least two days before the meeting if such notice is sent by a nationally recognized overnight delivery service; and (iii) at least five days before the meeting if such notice is sent through the United States mail. If the Secretary shall fail or refuse to give such notice, then the notice may be given by the officer who called the meeting or the directors who requested the meeting. Any and all business that may be transacted at a regular meeting of the Board may be transacted at a special meeting. Except as may be otherwise expressly provided by applicable law, the Certificate of Incorporation, or these By Laws, neither the business to be transacted at, nor the purpose of, any special meeting need be specified in the notice or waiver of notice of such meeting. A special meeting may be held at any time without notice if all the directors are present or if those not present waive notice of the meeting in accordance with **Section 9.4**.

Section 4.4. Quorum; Required Vote. A majority of the Board shall constitute a quorum for the transaction of business at any meeting of the Board, and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board, except as may be otherwise specifically provided by applicable law, the Certificate of Incorporation or these By Laws. If a quorum shall not be present at any meeting, a majority of the directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

Section 4.5. Consent In Lieu of Meeting. Unless otherwise restricted by the Certificate of Incorporation or these By Laws, any action required or permitted to be taken at any meeting of the Board or any committee thereof may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions (or paper reproductions thereof) are filed with the minutes of proceedings of the Board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Section 4.6. Organization. The chairman of each meeting of the Board shall be the Chairman of the Board or, in the absence (or inability or refusal to act) of the Chairman of the Board, any Chief Executive Officer (if he or she shall be a director) or, in the absence (or inability or refusal to act) of a Chief Executive Officer or if a Chief Executive Officer is not a director, the President (if he or she shall be a director) or in the absence (or inability or refusal to act) of the President or if the President is not a director, a chairman elected from the directors present. The Secretary shall act as secretary of all meetings of the Board. In the absence (or inability or refusal to act) of the Secretary, an Assistant Secretary shall perform the duties of the Secretary at such meeting. In the absence (or inability or refusal to act) of the Secretary and all Assistant Secretaries, the chairman of the meeting may appoint any person to act as secretary of the meeting.

ARTICLE V

COMMITTEES OF DIRECTORS

Section 5.1. Establishment. The Board may by resolution of the Board designate one or more committees, each committee to consist of one or more of the directors of the Corporation. Each committee shall keep regular minutes of its meetings and report the same to the Board when required by the resolution designating such committee. The Board shall have the power at any time to fill vacancies in, to change the membership of, or to dissolve any such committee.

Section 5.2. Available Powers. Any committee established pursuant to **Section 5.1** hereof, to the extent permitted by applicable law and by resolution of the Board, shall have and may exercise all of the powers and authority of the Board in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers that may require it.

Section 5.3. Alternate Members. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of such committee. In the absence or disqualification of a member of the committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in place of any such absent or disqualified member.

Section 5.4. Procedures. Unless the Board otherwise provides, the time, date, place, if any, and notice of meetings of a committee shall be determined by such committee. At meetings of a committee, a majority of the number of members of the committee (but not including any alternate member, unless such alternate member has replaced any absent or disqualified member at the time of, or in connection with, such meeting) shall constitute a quorum for the transaction of business. The act of a majority of the members present at any meeting at which a quorum is present shall be the act of the committee, except as otherwise specifically provided by applicable law, the Certificate of Incorporation, these By Laws or the Board. If a quorum is not present at a meeting of a committee, the members present may adjourn the meeting from time to time, without notice other than an announcement at the meeting, until a quorum is present. Unless the Board otherwise provides and except as provided in these By Laws, each committee designated by the Board may make, alter, amend and repeal rules for the conduct of its business. In the absence of such rules each committee shall conduct its business in the same manner as the Board is authorized to conduct its business pursuant to **Article III** and **Article IV** of these By Laws.

ARTICLE VI

OFFICERS

Section 6.1. Officers. The officers of the Corporation elected by the Board shall be one or more Chief Executive Officers, a Chief Financial Officer, a Secretary and such other officers (including without limitation, a Chairman of the Board, Presidents, Vice Presidents, Assistant Secretaries and a Treasurer) as the Board from time to time may determine. Officers elected by the Board shall each have such powers and duties as generally pertain to their respective offices, subject to the specific provisions of this **Article VI**. Such officers shall also have such powers and duties as from time to time may be conferred by the Board. Any Chief Executive Officer or President may also appoint such other officers (including without limitation one or more Vice Presidents and Controllers) as may be necessary or desirable for the conduct of the business of the Corporation. Such other officers shall have such powers and duties and shall hold their offices for such terms as may be provided in these By Laws or as may be prescribed by the Board or, if such officer has been appointed by any Chief Executive Officer or President, as may be prescribed by the appointing officer.

(a) Chairman of the Board. The Chairman of the Board shall preside when present at all meetings of the stockholders and the Board. The Chairman of the Board shall have general supervision and control of the acquisition activities of the Corporation subject to the ultimate authority of the Board, and shall be responsible for the execution of the policies of the Board with respect to such matters. In the absence (or inability or refusal to act) of the Chairman of the Board, any Chief Executive Officer (if he or she shall be a director) shall preside when present at all meetings of the stockholders and the Board. The powers and duties of the Chairman of the Board shall not include supervision or control of the preparation of the financial statements of the Corporation (other than through participation as a member of the Board). The position of Chairman of the Board and Chief Executive Officer may be held by the same person and may be held by more than one person.

(b) Chief Executive Officer. One or more Chief Executive Officers shall be the chief executive officer(s) of the Corporation, shall have general supervision of the affairs of the Corporation and general control of all of its business subject to the ultimate authority of the Board, and shall be responsible for the execution of the policies of the Board with respect to such matters, except to the extent any such powers and duties have been prescribed to the Chairman of the Board pursuant to **Section 6.1(a)** above. In the absence (or inability or refusal to act) of the Chairman of the Board, any Chief Executive Officer (if he or she shall be a director) shall preside when present at all meetings of the stockholders and the Board. The position of Chief Executive Officer and President may be held by the same person and may be held by more than one person.

(c) President. The President shall make recommendations to any Chief Executive Officer on all operational matters that would normally be reserved for the final executive responsibility of any Chief Executive Officer. In the absence (or inability or refusal to act) of the Chairman of the Board and a Chief Executive Officer, the President (if he or she shall be a director) shall preside when present at all meetings of the stockholders and the Board. The President shall also perform such duties and have such powers as shall be designated by the Board. The position of President and Chief Executive Officer may be held by the same person.

(d) Vice Presidents. In the absence (or inability or refusal to act) of the President, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order designated by the Board) shall perform the duties and have the powers of the President. Any one or more of the Vice Presidents may be given an additional designation of rank or function.

(e) Secretary.

(i) The Secretary shall attend all meetings of the stockholders, the Board and (as required) committees of the Board and shall record the proceedings of such meetings in books to be kept for that purpose. The Secretary shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the Board and shall perform such other duties as may be prescribed by the Board, the Chairman of the Board, any Chief Executive Officer or President. The Secretary shall have custody of the corporate seal of the Corporation and the Secretary, or any Assistant Secretary, shall have authority to affix the same to any instrument requiring it, and when so affixed, it may be attested by his or her signature or by the signature of such Assistant Secretary. The Board may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing thereof by his or her signature.

(ii) The Secretary shall keep, or cause to be kept, at the principal executive office of the Corporation or at the office of the Corporation's transfer agent or registrar, if one has been appointed, a stock ledger, or duplicate stock ledger, showing the names of the stockholders and their addresses, the number and classes of shares held by each and, with respect to certificated shares, the number and date of certificates issued for the same and the number and date of certificates cancelled.

(f) Assistant Secretaries. The Assistant Secretary or, if there be more than one, the Assistant Secretaries in the order determined by the Board shall, in the absence (or inability or refusal to act) of the Secretary, perform the duties and have the powers of the Secretary.

(g) Chief Financial Officer. The Chief Financial Officer shall perform all duties commonly incident to that office (including, without limitation, the care and custody of the funds and securities of the Corporation, which from time to time may come into the Chief Financial Officer's hands and the deposit of the funds of the Corporation in such banks or trust companies as the Board, any Chief Executive Officer or the President may authorize).

(h) Treasurer. The Treasurer shall, in the absence (or inability or refusal to act) of the Chief Financial Officer, perform the duties and exercise the powers of the Chief Financial Officer.

Section 6.2. Term of Office; Removal; Vacancies. The elected officers of the Corporation shall be appointed by the Board and shall hold office until their successors are duly elected and qualified by the Board or until their earlier death, resignation, retirement, disqualification, or removal from office. Any officer may be removed, with or without cause, at any time by the Board. Any officer appointed by any Chief Executive Officer or President may also be removed, with or without cause, by any Chief Executive Officer or President, as the case may be, unless the Board otherwise provides. Any vacancy occurring in any elected office of the Corporation may be filled by the Board. Any vacancy occurring in any office appointed by any Chief Executive Officer or President may be filled by any Chief Executive Officer, or President, as the case may be, unless the Board then determines that such office shall thereupon be elected by the Board, in which case the Board shall elect such officer.

Section 6.3. Other Officers. The Board may delegate the power to appoint such other officers and agents, and may also remove such officers and agents or delegate the power to remove same, as it shall from time to time deem necessary or desirable.

Section 6.4. Multiple Officeholders; Stockholder and Director Officers. Any number of offices may be held by the same person unless the Certificate of Incorporation or these By Laws otherwise provide. Officers need not be stockholders or residents of the State of Delaware.

ARTICLE VII

SHARES

Section 7.1. Certificated and Uncertificated Shares. The shares of the Corporation may be certificated or uncertificated, subject to the sole discretion of the Board and the requirements of the DGCL.

Section 7.2. Multiple Classes of Stock. If the Corporation shall be authorized to issue more than one class of stock or more than one series of any class, the Corporation shall (a) cause the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights to be set forth in full or summarized on the face or back of any certificate that the Corporation issues to represent shares of such class or series of stock or (b) in the case of uncertificated shares, within a reasonable time after the issuance or transfer of such shares, send to the registered owner thereof a written notice containing the information required to be set forth on certificates as specified in clause (a) above; provided, however, that, except as otherwise provided by applicable law, in lieu of the foregoing requirements, there may be set forth on the face or back of such certificate or, in the case of uncertificated shares, on such written notice a statement that the Corporation will furnish without charge to each stockholder who so requests the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences or rights.

Section 7.3. Signatures. Each certificate representing capital stock of the Corporation shall be signed by or in the name of the Corporation by (a) the Chairman of the Board, any Chief Executive Officer, the President or a Vice President and (b) the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary of the Corporation. Any or all the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent or registrar before such certificate is issued, such certificate may be issued by the Corporation with the same effect as if such person were such officer, transfer agent or registrar on the date of issue.

Section 7.4. Consideration and Payment for Shares.

(a) Subject to applicable law and the Certificate of Incorporation, shares of stock may be issued for such consideration, having in the case of shares with par value a value not less than the par value thereof, and to such persons, as determined from time to time by the Board. The consideration may consist of any tangible or intangible property or any benefit to the Corporation including cash, promissory notes, services performed, contracts for services to be performed or other securities, or any combination thereof.

(b) Subject to applicable law and the Certificate of Incorporation, shares may not be issued until the full amount of the consideration has been paid, unless upon the face or back of each certificate issued to represent any partly paid shares of capital stock or upon the books and records of the Corporation in the case of partly paid uncertificated shares, there shall have been set forth the total amount of the consideration to be paid therefor and the amount paid thereon up to and including the time said certificate representing certificated shares or said uncertificated shares are issued.

Section 7.5. Lost, Destroyed or Wrongfully Taken Certificates.

(a) If an owner of a certificate representing shares claims that such certificate has been lost, destroyed or wrongfully taken, the Corporation shall issue a new certificate representing such shares or such shares in uncertificated form if the owner: (i) requests such a new certificate before the Corporation has notice that the certificate representing such shares has been acquired by a protected purchaser; (ii) if requested by the Corporation, delivers to the Corporation a bond sufficient to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, wrongful taking or destruction of such certificate or the issuance of such new certificate or uncertificated shares; and (iii) satisfies other reasonable requirements imposed by the Corporation.

(b) If a certificate representing shares has been lost, apparently destroyed or wrongfully taken, and the owner fails to notify the Corporation of that fact within a reasonable time after the owner has notice of such loss, apparent destruction or wrongful taking and the Corporation registers a transfer of such shares before receiving notification, the owner shall be precluded from asserting against the Corporation any claim for registering such transfer or a claim to a new certificate representing such shares or such shares in uncertificated form.

Section 7.6. Transfer of Stock.

(a) If a certificate representing shares of the Corporation is presented to the Corporation with an endorsement requesting the registration of transfer of such shares or an instruction is presented to the Corporation requesting the registration of transfer of uncertificated shares, the Corporation shall register the transfer as requested if:

(i) in the case of certificated shares, the certificate representing such shares has been surrendered;

(ii) (A) with respect to certificated shares, the endorsement is made by the person specified by the certificate as entitled to such shares; (B) with respect to uncertificated shares, an instruction is made by the registered owner of such uncertificated shares; or (C) with respect to certificated shares or uncertificated shares, the endorsement or instruction is made by any other appropriate person or by an agent who has actual authority to act on behalf of the appropriate person;

(iii) the Corporation has received a guarantee of signature of the person signing such endorsement or instruction or such other reasonable assurance that the endorsement or instruction is genuine and authorized as the Corporation may request;

(iv) the transfer does not violate any restriction on transfer imposed by the Corporation that is enforceable in accordance with **Section 7.8(a)**; and

(v) such other conditions for such transfer as shall be provided for under applicable law have been satisfied.

(b) Whenever any transfer of shares shall be made for collateral security and not absolutely, the Corporation shall so record such fact in the entry of transfer if, when the certificate for such shares is presented to the Corporation for transfer or, if such shares are uncertificated, when the instruction for registration of transfer thereof is presented to the Corporation, both the transferor and transferee request the Corporation to do so.

Section 7.7. Registered Stockholders. Before due presentment for registration of transfer of a certificate representing shares of the Corporation or of an instruction requesting registration of transfer of uncertificated shares, the Corporation may treat the registered owner as the person exclusively entitled to inspect for any proper purpose the stock ledger and the other books and records of the Corporation, vote such shares, receive dividends or notifications with respect to such shares and otherwise exercise all the rights and powers of the owner of such shares, except that a person who is the beneficial owner of such shares (if held in a voting trust or by a nominee on behalf of such person) may, upon providing documentary evidence of beneficial ownership of such shares and satisfying such other conditions as are provided under applicable law, may also so inspect the books and records of the Corporation.

Section 7.8. Effect of the Corporation's Restriction on Transfer.

(a) A written restriction on the transfer or registration of transfer of shares of the Corporation or on the amount of shares of the Corporation that may be owned by any person or group of persons, if permitted by the DGCL and noted conspicuously on the certificate representing such shares or, in the case of uncertificated shares, contained in a notice, offering circular or prospectus sent by the Corporation to the registered owner of such shares within a reasonable time prior to or after the issuance or transfer of such shares, may be enforced against the holder of such shares or any successor or transferee of the holder including an executor, administrator, trustee, guardian or other fiduciary entrusted with like responsibility for the person or estate of the holder.

(b) A restriction imposed by the Corporation on the transfer or the registration of shares of the Corporation or on the amount of shares of the Corporation that may be owned by any person or group of persons, even if otherwise lawful, is ineffective against a person without actual knowledge of such restriction unless: (i) the shares are certificated and such restriction is noted conspicuously on the certificate; or (ii) the shares are uncertificated and such restriction was contained in a notice, offering circular or prospectus sent by the Corporation to the registered owner of such shares within a reasonable time prior to or after the issuance or transfer of such shares.

Section 7.9. Regulations. The Board shall have power and authority to make such additional rules and regulations, subject to any applicable requirement of law, as the Board may deem necessary and appropriate with respect to the issue, transfer or registration of transfer of shares of stock or certificates representing shares. The Board may appoint one or more transfer agents or registrars and may require for the validity thereof that certificates representing shares bear the signature of any transfer agent or registrar so appointed.

ARTICLE VIII

INDEMNIFICATION

Section 8.1. Right to Indemnification. To the fullest extent permitted by applicable law, as the same exists or may hereafter be amended, the Corporation shall indemnify and hold harmless each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "***proceeding***"), by reason of the fact that he or she is or was a director or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, other enterprise or nonprofit entity, including service with respect to an employee benefit plan (hereinafter an "***Indemnitee***"), whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent, or in any other capacity while serving as a director, officer, employee or agent, against all liability and loss suffered and expenses (including, without limitation, attorneys' fees, judgments, fines, ERISA excise taxes and penalties and amounts paid in settlement) reasonably incurred by such Indemnitee in connection with such proceeding; provided, however, that, except as provided in **Section 8.3** with respect to proceedings to enforce rights to indemnification, the Corporation shall indemnify an Indemnitee in connection with a proceeding (or part thereof) initiated by such Indemnitee only if such proceeding (or part thereof) was authorized by the Board.

Section 8.2. Right to Advancement of Expenses. In addition to the right to indemnification conferred in **Section 8.1**, an Indemnitee shall also have the right to be paid by the Corporation to the fullest extent not prohibited by applicable law the expenses (including, without limitation, attorneys' fees) incurred in defending or otherwise participating in any such proceeding in advance of its final disposition (hereinafter an "***advancement of expenses***"); provided, however, that, if the DGCL requires, an advancement of expenses incurred by an Indemnitee in his or her capacity as a director or officer of the Corporation (and not in any other capacity in which service was or is rendered by such Indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon the Corporation's receipt of an undertaking (hereinafter an "***undertaking***"), by or on behalf of such Indemnitee, to repay all amounts so advanced if it shall ultimately be determined that such Indemnitee is not entitled to be indemnified under this **Article VIII** or otherwise.

Section 8.3. Right of Indemnitee to Bring Suit. If a claim under **Section 8.1** or **Section 8.2** is not paid in full by the Corporation within 60 days after a written claim therefor has been received by the Corporation, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be 20 days, the Indemnitee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Indemnitee shall also be entitled to be paid the expense of prosecuting or defending such suit. In (a) any suit brought by the Indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by an Indemnitee to enforce a right to an advancement of expenses) it shall be a defense that, and (b) in any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final judicial decision from which there is no further right to appeal (hereinafter a "***final adjudication***") that, the Indemnitee has not met any applicable standard for indemnification set forth in the DGCL. Neither the failure of the Corporation (including its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the Indemnitee is proper in the circumstances because the Indemnitee has met the applicable standard of conduct set forth in the DGCL, nor an actual determination by the Corporation (including a determination by its directors who are not parties to such action, a committee of such directors, independent legal counsel, or its stockholders) that the Indemnitee has not met such applicable standard of conduct, shall create a presumption that the Indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the Indemnitee, shall be a defense to such suit. In any suit brought by the Indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the Indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this **Article VIII** or otherwise shall be on the Corporation.

Section 8.4. Non-Exclusivity of Rights. The rights provided to any Indemnitee pursuant to this **Article VIII** shall not be exclusive of any other right, which such Indemnitee may have or hereafter acquire under applicable law, the Certificate of Incorporation, these By Laws, an agreement, a vote of stockholders or disinterested directors, or otherwise.

Section 8.5. Insurance. The Corporation may maintain insurance, at its expense, to protect itself and/or any director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the DGCL.

Section 8.6. Indemnification of Other Persons. This **Article VIII** shall not limit the right of the Corporation to the extent and in the manner authorized or permitted by law to indemnify and to advance expenses to persons other than Indemnitees. Without limiting the foregoing, the Corporation may, to the extent authorized from time to time by the Board, grant rights to indemnification and to the advancement of expenses to any employee or agent of the Corporation and to any other person who is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan, to the fullest extent of the provisions of this **Article VIII** with respect to the indemnification and advancement of expenses of Indemnitees under this **Article VIII**.

Section 8.7. Amendments. Any repeal or amendment of this **Article VIII** by the Board or the stockholders of the Corporation or by changes in applicable law, or the adoption of any other provision of these By Laws inconsistent with this **Article VIII**, will, to the extent permitted by applicable law, be prospective only (except to the extent such amendment or change in applicable law permits the Corporation to provide broader indemnification rights to Indemnitees on a retroactive basis than permitted prior thereto), and will not in any way diminish or adversely affect any right or protection existing hereunder in respect of any act or omission occurring prior to such repeal or amendment or adoption of such inconsistent provision; provided however, that amendments or repeals of this **Article VIII** shall require the affirmative vote of the stockholders holding at least 66.7% of the voting power of all outstanding shares of capital stock of the Corporation.

Section 8.8. Certain Definitions. For purposes of this **Article VIII**, (a) references to "***other enterprise***" shall include any employee benefit plan; (b) references to "***fines***" shall include any excise taxes assessed on a person with respect to an employee benefit plan; (c) references to "***serving at the request of the Corporation***" shall include any service that imposes duties on, or involves services by, a person with respect to any employee benefit plan, its participants, or beneficiaries; and (d) a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interest of the Corporation" for purposes of Section 145 of the DGCL.

Section 8.9. Contract Rights. The rights provided to Indemnitees pursuant to this **Article VIII** shall be contract rights and such rights shall continue as to an Indemnitee who has ceased to be a director, officer, agent or employee and shall inure to the benefit of the Indemnitee's heirs, executors and administrators.

Section 8.10. Severability. If any provision or provisions of this **Article VIII** shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this **Article VIII** shall not in any way be affected or impaired thereby; and (b) to the fullest extent possible, the provisions of this **Article VIII** (including, without limitation, each such portion of this **Article VIII** containing any such provision held to be invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable.

ARTICLE IX

MISCELLANEOUS

Section 9.1. Place of Meetings. If the place of any meeting of stockholders, the Board or committee of the Board for which notice is required under these By Laws is not designated in the notice of such meeting, such meeting shall be held at the principal business office of the Corporation; provided, however, if the Board has, in its sole discretion, determined that a meeting shall not be held at any place, but instead shall be held by means of remote communication pursuant to **Section 9.5** hereof, then such meeting shall not be held at any place.

Section 9.2. Fixing Record Dates.

(a) In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, the Board may fix a record date, which shall not precede the date upon which the resolution fixing the record date is adopted by the Board, and which record date shall not be more than 60 nor less than 10 days before the date of such meeting. If the Board so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board, the record date for determining stockholders entitled to notice of and to vote at a meeting of stockholders shall be at the close of business on the business day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board may fix a new record date for the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance with the foregoing provisions of this **Section 9.2(a)** at the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion or exchange of stock, or for the purpose of any other lawful action, the Board may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board adopts the resolution relating thereto.

Section 9.3. Means of Giving Notice.

(a) Notice to Directors. Whenever under applicable law, the Certificate of Incorporation or these By Laws notice is required to be given to any director, such notice shall be given either (i) in writing and sent by mail, or by a nationally recognized delivery service, (ii) by means of facsimile telecommunication or other form of electronic transmission, or (iii) by oral notice given personally or by telephone. A notice to a director will be deemed given as follows: (i) if given by hand delivery, orally, or by telephone, when actually received by the director, (ii) if sent through the United States mail, when deposited in the United States mail, with postage and fees thereon prepaid, addressed to the director at the director's address appearing on the records of the Corporation, (iii) if sent for next day delivery by a nationally recognized overnight delivery service, when deposited with such service, with fees thereon prepaid, addressed to the director at the director's address appearing on the records of the Corporation, (iv) if sent by facsimile telecommunication, when sent to the facsimile transmission number for such director appearing on the records of the Corporation, (v) if sent by electronic mail, when sent to the electronic mail address for such director appearing on the records of the Corporation, or (vi) if sent by any other form of electronic transmission, when sent to the address, location or number (as applicable) for such director appearing on the records of the Corporation.

(b) Notice to Stockholders. Whenever under applicable law, the Certificate of Incorporation or these By Laws notice is required to be given to any stockholder, such notice may be given (i) in writing and sent either by hand delivery, through the United States mail, or by a nationally recognized overnight delivery service for next day delivery, or (ii) by means of a form of electronic transmission consented to by the stockholder, to the extent permitted by, and subject to the conditions set forth in Section 232 of the DGCL. A notice to a stockholder shall be deemed given as follows: (i) if given by hand delivery, when actually received by the stockholder, (ii) if sent through the United States mail, when deposited in the United States mail, with postage and fees thereon prepaid, addressed to the stockholder at the stockholder's address appearing on the stock ledger of the Corporation, (iii) if sent for next day delivery by a nationally recognized overnight delivery service, when deposited with such service, with fees thereon prepaid, addressed to the stockholder at the stockholder's address appearing on the stock ledger of the Corporation, and (iv) if given by a form of electronic transmission consented to by the stockholder to whom the notice is given and otherwise meeting the requirements set forth above, (A) if by facsimile transmission, when directed to a number at which the stockholder has consented to receive notice, (B) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice, (C) if by a posting on an electronic network together with separate notice to the stockholder of such specified posting, upon the later of (1) such posting and (2) the giving of such separate notice, and (D) if by any other form of electronic transmission, when directed to the stockholder. A stockholder may revoke such stockholder's consent to receiving notice by means of electronic communication by giving written notice of such revocation to the Corporation. Any such consent shall be deemed revoked if (1) the Corporation is unable to deliver by electronic transmission two consecutive notices given by the Corporation in accordance with such consent and (2) such inability becomes known to the Secretary or an Assistant Secretary or to the Corporation's transfer agent, or other person responsible for the giving of notice; provided, however, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

(c) Electronic Transmission. "***Electronic transmission***" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process, including but not limited to transmission by telex, facsimile telecommunication, electronic mail, telegram and cablegram.

(d) Notice to Stockholders Sharing Same Address. Without limiting the manner by which notice otherwise may be given effectively by the Corporation to stockholders, any notice to stockholders given by the Corporation under any provision of the DGCL, the Certificate of Incorporation or these By Laws shall be effective if given by a single written notice to stockholders who share an address if consented to by the stockholders at that address to whom such notice is given. A stockholder may revoke such stockholder's consent by delivering written notice of such revocation to the Corporation. Any stockholder who fails to object in writing to the Corporation within 60 days of having been given written notice by the Corporation of its intention to send such a single written notice shall be deemed to have consented to receiving such single written notice.

(e) Exceptions to Notice Requirements. Whenever notice is required to be given, under the DGCL, the Certificate of Incorporation or these By Laws, to any person with whom communication is unlawful, the giving of such notice to such person shall not be required and there shall be no duty to apply to any governmental authority or agency for a license or permit to give such notice to such person. Any action or meeting that shall be taken or held without notice to any such person with whom communication is unlawful shall have the same force and effect as if such notice had been duly given. In the event that the action taken by the Corporation is such as to require the filing of a certificate with the Secretary of State of Delaware, the certificate shall state, if such is the fact and if notice is required, that notice was given to all persons entitled to receive notice except such persons with whom communication is unlawful.

Whenever notice is required to be given by the Corporation, under any provision of the DGCL, the Certificate of Incorporation or these By Laws, to any stockholder to whom (1) notice of two consecutive annual meetings of stockholders and all notices of stockholder meetings or of the taking of action by written consent of stockholders without a meeting to such stockholder during the period between such two consecutive annual meetings, or (2) all, and at least two payments (if sent by first-class mail) of dividends or interest on securities during a 12-month period, have been mailed addressed to such stockholder at such stockholder's address as shown on the records of the Corporation and have been returned undeliverable, the giving of such notice to such stockholder shall not be required. Any action or meeting that shall be taken or held without notice to such stockholder shall have the same force and effect as if such notice had been duly given. If any such stockholder shall deliver to the Corporation a written notice setting forth such stockholder's then current address, the requirement that notice be given to such stockholder shall be reinstated. In the event that the action taken by the Corporation is such as to require the filing of a certificate with the Secretary of State of Delaware, the certificate need not state that notice was not given to persons to whom notice was not required to be given pursuant to Section 230(b) of the DGCL. The exception in subsection (1) of the first sentence of this paragraph to the requirement that notice be given shall not be applicable to any notice returned as undeliverable if the notice was given by electronic transmission.

Section 9.4. Waiver of Notice. Whenever any notice is required to be given under applicable law, the Certificate of Incorporation, or these By Laws, a written waiver of such notice, signed by the person or persons entitled to said notice, or a waiver by electronic transmission by the person entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent to such required notice. All such waivers shall be kept with the books of the Corporation. Attendance at a meeting shall constitute a waiver of notice of such meeting, except where a person attends for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

Section 9.5. Meeting Attendance via Remote Communication Equipment.

(a) Stockholder Meetings. If authorized by the Board in its sole discretion, and subject to such guidelines and procedures as the Board may adopt, stockholders entitled to vote at such meeting and proxy holders not physically present at a meeting of stockholders may, by means of remote communication:

(i) participate in a meeting of stockholders; and

(ii) be deemed present in person and vote at a meeting of stockholders, whether such meeting is to be held at a designated place or solely by means of remote communication, provided that (A) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxy holder, (B) the Corporation shall implement reasonable measures to provide such stockholders and proxy holders a reasonable opportunity to participate in the meeting and, if entitled to vote, to vote on matters submitted to the applicable stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings, and (C) if any stockholder or proxy holder votes or takes other action at the meeting by means of remote communication, a record of such votes or other action shall be maintained by the Corporation.

(b) Board Meetings. Unless otherwise restricted by applicable law, the Certificate of Incorporation or these By Laws, members of the Board or any committee thereof may participate in a meeting of the Board or any committee thereof by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other. Such participation in a meeting shall constitute presence in person at the meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called or convened.

Section 9.6. Dividends. The Board may from time to time declare, and the Corporation may pay, dividends (payable in cash, property or shares of the Corporation's capital stock) on the Corporation's outstanding shares of capital stock, subject to applicable law and the Certificate of Incorporation.

Section 9.7. Reserves. The Board may set apart out of the funds of the Corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve.

Section 9.8. Contracts and Negotiable Instruments. Except as otherwise provided by applicable law, the Certificate of Incorporation or these By Laws, any contract, bond, deed, lease, mortgage or other instrument may be executed and delivered in the name and on behalf of the Corporation by such officer or officers or other employee or employees of the Corporation as the Board may from time to time authorize. Such authority may be general or confined to specific instances as the Board may determine. The Chairman of the Board, any Chief Executive Officer, the President, the Chief Financial Officer, the Treasurer or any Vice President may execute and deliver any contract, bond, deed, lease, mortgage or other instrument in the name and on behalf of the Corporation. Subject to any restrictions imposed by the Board, the Chairman of the Board , any Chief Executive Officer, President, the Chief Financial Officer, the Treasurer or any Vice President may delegate powers to execute and deliver any contract, bond, deed, lease, mortgage or other instrument in the name and on behalf of the Corporation to other officers or employees of the Corporation under such person's supervision and authority, it being understood, however, that any such delegation of power shall not relieve such officer of responsibility with respect to the exercise of such delegated power.

Section 9.9. Fiscal Year. The fiscal year of the Corporation shall be fixed by the Board.

Section 9.10. Seal. The Board may adopt a corporate seal, which shall be in such form as the Board determines. The seal may be used by causing it or a facsimile thereof to be impressed, affixed or otherwise reproduced.

Section 9.11. Books and Records. The books and records of the Corporation may be kept within or outside the State of Delaware at such place or places as may from time to time be designated by the Board.

Section 9.12. Resignation. Any director, committee member or officer may resign by giving notice thereof in writing or by electronic transmission to the Chairman of the Board, any Chief Executive Officer, the President or the Secretary. The resignation shall take effect at the time it is delivered unless the resignation specifies a later effective date or an effective date determined upon the happening of an event or events. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 9.13. Surety Bonds. Such officers, employees and agents of the Corporation (if any) as the Chairman of the Board, any Chief Executive Officer, President or the Board may direct, from time to time, shall be bonded for the faithful performance of their duties and for the restoration to the Corporation, in case of their death, resignation, retirement, disqualification or removal from office, of all books, papers, vouchers, money and other property of whatever kind in their possession or under their control belonging to the Corporation, in such amounts and by such surety companies as the Chairman of the Board, any Chief Executive Officer, President or the Board may determine. The premiums on such bonds shall be paid by the Corporation and the bonds so furnished shall be in the custody of the Secretary.

Section 9.14. Securities of Other Corporations. Powers of attorney, proxies, waivers of notice of meeting, consents in writing and other instruments relating to securities owned by the Corporation may be executed in the name of and on behalf of the Corporation by the Chairman of the Board, any Chief Executive Officer, President, any Vice President or any officers authorized by the Board. Any such officer, may, in the name of and on behalf of the Corporation, take all such action as any such officer may deem advisable to vote in person or by proxy at any meeting of security holders of any corporation in which the Corporation may own securities, or to consent in writing, in the name of the Corporation as such holder, to any action by such corporation, and at any such meeting or with respect to any such consent shall possess and may exercise any and all rights and power incident to the ownership of such securities and which, as the owner thereof, the Corporation might have exercised and possessed. The Board may from time to time confer like powers upon any other person or persons.

Section 9.15. Amendments. The Board shall have the power to adopt, amend, alter or repeal the By Laws. The affirmative vote of a majority of the Board shall be required to adopt, amend, alter or repeal the By Laws. The By Laws also may be adopted, amended, altered or repealed by the stockholders; provided, however, that in addition to any vote of the holders of any class or series of capital stock of the Corporation required by applicable law or the Certificate of Incorporation, the affirmative vote of the holders of at least a majority of the voting power (except as otherwise provided in **Section 8.7**)of all outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required for the stockholders to adopt, amend, alter or repeal the By Laws.

Exhibit 10.4

HUMACYTE, INC.
2021 LONG-TERM INCENTIVE PLAN

1. **Purposes of the Plan**. The purposes of this Plan are to attract, retain, incentivize and reward top talent through stock ownership, to improve operating and financial performance and strengthen the mutuality of interest between eligible service providers and stockholders of Humacyte, Inc. (the "Company"). This Plan will replace the Humacyte, Inc. 2015 Omnibus Incentive Plan (the "Prior Plan") on the Effective Date (as defined below), except that any awards granted under the Prior Plan shall remain in effect pursuant to their terms (other than with respect to the adjustment required under the Business Combination Agreement to reflect the Transaction).

2. **Definitions**. The following definitions shall apply as used herein and, except as defined otherwise in an Award Agreement, in the Award Agreements.

"Administrator" shall have the meaning set forth in Section 4(d).

"Award" means an award described in Section 6.

"Award Agreement" means the written agreement evidencing the grant of an Award, including any amendments thereto.

"Board" means the Board of Directors of the Company.

"Code" means the Internal Revenue Code of 1986, as amended.

"Committee" means any committee that is composed of at least two members of the Board.

"Common Stock" means the Class A Common Stock of the Company.

"Company" means Humacyte, Inc., a Delaware corporation, or any successor entity.

"Consultant" means any person other than an Employee or a Director (solely with respect to rendering services in such person's capacity as a Director) who is engaged by the Company or any Subsidiary to render consulting or advisory services; provided, however, that a person shall be treated as a Consultant under this Plan only if a Form S-8 Registration Statement under the Securities Act is available to register either the offer or the sale of the Company's securities to such person.

"Corporate Transaction" means the occurrence, in a single transaction or in a series of related transaction of any of the following events:

(i) any "person" or related "group of persons" (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act), other than any person who currently owns more than a majority of the Company's Common Stock, acquiring beneficial ownership (within the meaning of Rule 13d-3 and 13d-5 promulgated under the Exchange Act) of more than 50% of the combined voting power of the then outstanding voting securities of the Company;

(ii) a consolidation, merger or similar transaction involving the Company, unless the stockholders of the Company immediately before such consolidation, merger or other transaction own, directly or indirectly, a majority of the combined voting power of the outstanding voting securities of the corporation or other entity resulting from such consolidation or merger;

(iii) individuals who are members of the Board on the date the Plan is adopted by the Board (the "Incumbent Board") ceasing for any reason to constitute at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member shall, for purposes of the Plan, be considered as a member of the Incumbent Board;

(iv) the sale, lease, exclusive license or other disposition of all or substantially all, as determined by the Board, of the consolidated assets of the Company, other than to an entity of which the stockholders of the Company immediately before such sale, lease, exclusive license or other disposition own, directly or indirectly, a majority of the combined voting power of the outstanding voting securities in substantially the same proportions as their ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition; or

(v) the liquidation, dissolution or winding up of the Company.

For the avoidance of doubt, a transaction will not constitute a Corporate Transaction if: (i) its sole purpose is to change the jurisdiction of the Company's incorporation, or (ii) its sole purpose is to create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such transaction.

"Director" means a member of the Board or the board of directors of any Subsidiary.

"Effective Date" means the date of the closing of the Transaction.

"Effective Time" shall have the meaning set forth in Section 12.

"Employee" means an employee of the Company or any Subsidiary (including a Director who is also an employee).

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Fair Market Value" means, as of any date, the value of Common Stock determined as follows:

(i) if the Common Stock is listed on one or more established stock exchanges or national market systems, including without limitation The Nasdaq Global Select Market, The Nasdaq Global Market or The Nasdaq Capital Market of The Nasdaq Stock Market LLC, its Fair Market Value shall be the closing sales price for such stock (or the closing bid, if no sales were reported) as quoted on the principal exchange or system on which the Common Stock is listed (as determined by the Administrator) on the date of determination (or, if no closing sales price or closing bid was reported on that date, as applicable, on the last trading date such closing sales price or closing bid was reported), as reported in The Wall Street Journal or such other source as the Administrator deems reliable;

(ii) if the Common Stock is regularly quoted on an automated quotation system (including the OTC Bulletin Board) or by a recognized securities dealer, its Fair Market Value shall be the closing sales price for such stock as quoted on such system or by such securities dealer on the date of determination, but if selling prices are not reported, the Fair Market Value of a share of Common Stock shall be the mean between the high bid and low asked prices for the Common Stock on the date of determination (or, if no such prices were reported on that date, on the last date such prices were reported), as reported in The Wall Street Journal or such other source as the Administrator deems reliable; or

(iii) if neither (i) nor (ii) above applies, the fair market value determined by the Board using any measure of value that the Board determines to be appropriate (including, as it considers appropriate, relying on appraisals) in a manner consistent with the valuation principles under Sections 409A and 422 of the Code, except as the Board may expressly determine otherwise.

"Grantee" means an individual who receives an Award.

"Incentive Stock Option" means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code.

"Non-Employee Director" means a member of the Board who is not also an Employee.

"Non-Qualified Stock Option" means an Option not intended to qualify as an Incentive Stock Option.

"Option" means an option to purchase Shares.

"Parent" means a "parent corporation," of the Company whether now or hereafter existing, as defined in Section 424(e) of the Code.

"Performance Award" means an Award that may vest or be exercised or a cash award that may vest or become earned and paid contingent upon the attainment during a Performance Period of certain Performance Goals, as determined by the Administrator and set forth in the applicable Award Agreement. An Award may be both a Performance Award and an Award of Options, SARs, Restricted Stock, or Restricted Units or any other form of Award permitted by the Plan.

"Performance Goals" means, for a Performance Period, the one or more goals established by the Administrator for the Performance Period. Performance Goals may be based on a Company-wide basis, with respect to one or more business units, divisions, Subsidiaries, or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices, and may be based on financial performance, achievement of strategic objectives, or any other organizational goals, all as determined by the Administrator. Unless specified otherwise by the Board (i) in the Award Agreement at the time the Award is granted or (ii) in such other document setting forth the Performance Goals at the time the Performance Goals are established, the Board will appropriately make adjustments in the method of calculating the attainment of Performance Goals for a Performance Period as follows: (1) to exclude restructuring and/or other nonrecurring charges; (2) to exclude exchange rate effects; (3) to exclude the effects of changes to generally accepted accounting principles; (4) to exclude the effects of any statutory adjustments to corporate tax rates; (5) to exclude the effects of items that are "unusual" in nature or occur "infrequently" as determined under generally accepted accounting principles; (6) to exclude the dilutive effects of acquisitions or joint ventures; (7) to assume that any business divested by the Company achieved performance objectives at targeted levels during the balance of a Performance Period following such divestiture; (8) to exclude the effect of any change in the outstanding shares of common stock of the Company by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger, consolidation, spin-off, combination or exchange of shares or other similar corporate change, or any distributions to common stockholders other than regular cash dividends; (9) to exclude the effects of stock based compensation and the award of bonuses under the Company's bonus plans; (10) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to expense under generally accepted accounting principles; and (11) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally accepted accounting principles. In addition, the Board retains the discretion to reduce or eliminate the compensation or economic benefit due upon attainment of Performance Goals and to define the manner of calculating the performance criteria it selects to use for such Performance Period. Partial achievement of the specified criteria may result in the payment or vesting corresponding to the degree of achievement as specified in the Award Agreement or the written terms of a Performance Award.

"Performance Period" means the period of time selected by the Administrator over which the attainment of one or more Performance Goals will be measured for the purpose of determining a Participant's right to vesting or exercise of an Award. Performance Periods may be of varying and overlapping duration, at the sole discretion of the Administrator.

"Plan" means this Humacyte, Inc. 2021 Long-Term Incentive Plan, as such may be amended or restated from time to time.

"Restricted Stock" means Shares issued under the Plan subject to restrictions determined by the Administrator and set forth in the applicable Award Agreement.

"Restricted Stock Units" means an Award based on the value of Common Stock that is an unfunded and unsecured promise that may be settled in any form specified by the Administrator in the applicable Award Agreement, including but not limited to delivery of Shares, cash, or combination of cash and Shares as deemed appropriate by the Administrator upon the attainment of specified vesting conditions, as determined by the Administrator and set forth in the applicable Award Agreement.

"SAR" means a stock appreciation right entitling the Grantee to Shares or cash compensation, as determined by the Administrator and set forth in the applicable Award Agreement, measured by appreciation in the value of Common Stock.

"Securities Act" means the Securities Act of 1933, as amended.

"Service Provider" means an Employee, Director, or Consultant.

"Share" means a share of Common Stock.

"Subsidiary" means a "subsidiary corporation," of the Company whether now or hereafter existing, as defined in Section 424(f) of the Code.

"Transaction" means the transaction contemplated by the Business Combination Agreement (the "Business Combination Agreement"), dated as of February 17, 2021, by and among Alpha Healthcare Acquisition Corp., a Delaware corporation ("AHAC"), Hunter Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of AHAC, and Humacyte, Inc., a Delaware corporation.

"Unrestricted Stock" means Shares issued under the Plan that are not subject to vesting, forfeiture or similar restrictions pursuant to the applicable Award Agreement. For the sake of clarity, Shares that are only subject to restrictions on transfer, right of first refusal, market stand-off and other similar restrictions shall not, by virtue of such restrictions, be deemed to be "Restricted Stock."

3. **Stock Subject to the Plan**.

(a) Reserved Shares. Subject to the provisions of Sections 11 and 12, below, the maximum aggregate number of Shares which may be issued pursuant to all Awards (the "Share Reserve") is 7,725,253 Shares. In addition, subject to the provisions of Sections 11 and 12 below, such Share Reserve will automatically increase on January 1 of each year commencing on January 1, 2022, in an amount equal to 5% of the total number of shares of the Company's capital stock outstanding on December 31 of the preceding year; provided, however that the Board may act prior to January 1st of a given year to provide that the increase for such year will be a lesser number of shares of Common Stock. Subject to the Share Reserve and the provisions of Sections 11 and 12, below, the maximum aggregate number of Shares which may be issued pursuant to the exercise of Incentive Stock Options is 700,000,000 Shares (the "ISO Limit"). The purpose of the ISO Limit is to comply with section 422 of the Code so that the Plan does not reach the ISO Limit before the Share Reserve by reason of Shares becoming available for issuance pursuant to Section 3(b), but not being available for issuance pursuant to the exercise of Incentive Stock Options. The Shares may be authorized, but unissued, or reacquired Common Stock.

(b) Shares Returned to Plan. Any Shares covered by an Award (or portion of an Award) which (i) are forfeited, cancelled, or reacquired by the Company prior to vesting, (ii) expire (whether voluntarily or involuntarily), (iii) are settled other than by the delivery of Shares (including cash settlement), (iv) are tendered or withheld in payment of the Award exercise or purchase price, (v) are tendered or withheld in satisfaction of tax withholding obligations with respect to an Award or (vi) are subject to a stock-settled SAR that are not issued upon the net settlement of such SAR, shall be deemed not to have been issued for purposes of determining the maximum aggregate number of Shares which may be issued under the Plan and shall again become available for issuance under the Plan; *provided*, *however*, that in no event shall such Shares be added to the then-current number of Shares that may be issued pursuant to Incentive Stock Options. Shares underlying any award granted under the Prior Plan that remains outstanding after the Effective Date that (i) are forfeited, cancelled, or reacquired by the Company prior to vesting, (ii) expire (whether voluntarily or involuntarily), or (iii) are settled other than by the delivery of Shares (including cash settlement) may be returned to this Plan and shall become available for grant and issuance under this Plan.

(c) Share Counting. For the purpose of calculating the maximum aggregate number of Shares which may be issued under the Plan (including determining the number of Shares that are added back to the Plan pursuant to Section 3(b)) every one Share underlying an Award shall count as one Share.

(d) Substitute Awards. The Administrator may grant Awards under the Plan in substitution for stock and stock-based awards held by employees, directors, consultants or advisors of a business or entity that is acquired by, or whose assets are acquired by, the Company. The Administrator may direct that such substitute award be granted on such terms and conditions as the Administrator considers appropriate in the circumstances, including provisions that preserve the aggregate option spread as of the closing date of any such transaction in a manner that complies with Section 409A of the Code. Delivery of Shares subject to such substitute awards shall not count against the maximum aggregate number of Shares which may be issued under the Plan set forth in Section 3(a).

(e) Maximum Awards to Non-Employee Directors. Notwithstanding anything to the contrary in this Plan, the value of all Awards awarded under this Plan and all other cash compensation paid by the Company to any Non-Employee Director in any calendar year for service as a Non-Employee Director shall not exceed $750,000, provided, however that such amount shall be $1,000,000 for the calendar year in which the applicable Non-Employee Director is initially elected or appointed to the Board. For the purpose of this limitation, the value of any Award shall be its grant date fair value, as determined in accordance with FASB ASC 718 or successor provision but excluding the impact of estimated forfeitures related to service-based vesting provisions.

4. **Administration of the Plan**.

(a) Administration by the Board. Subject to Sections 4(d) and 4(e), the Plan will be administered by the Board.

(b) Powers. Subject to the terms of the Plan, the Board shall have authority to take any and all actions that it determines to be necessary or advisable in connection with the administration of the Plan, including, without limitation, to:

(i) select the eligible recipients to whom Awards may be granted from time to time, the type and number of Awards to be granted to such individual, and the number of Shares or dollar amount to which an Award will relate;

(ii) determine the terms and conditions of any Award, including but not limited to, the exercise price or purchase price, any restrictions or limitations on the Award, and the vesting or Performance Goals applicable to the Award;

(iii) modify, amend, or adjust the terms and conditions of any Award, at any time or from time to time, based in each case on such considerations as the Board in its sole discretion determines;

(iv) accelerate the time at which an Award may first be exercised or the time during which an Award or any part thereof will vest, notwithstanding the provisions in the Award Agreement stating the time at which it may first be exercised or the time during which it will vest;

(v) determine whether, to what extent, and under what circumstances (A) an Award may be settled in, or the exercise price or purchase price of an Award may be paid in, cash, Stock, other Awards, or other property, or (B) an Award may be canceled, forfeited, or surrendered;

(vi) determine whether conditions and events, including any Performance Goals, described in the Plan or in Award Agreements are satisfied;

(vii) determine the Fair Market Value;

(viii) determine the extent to which adjustments are required pursuant to Section 11;

(ix) prescribe and amend the terms of or form of any document or notice required to be delivered to the Company by Grantees under the Plan;

(x) adopt, amend and repeal such administrative rules, guidelines and practices relating to the Plan as the Board shall deem advisable;

(xi) construe and interpret the terms of the Plan and any Award Agreements entered into under the Plan and define terms not otherwise defined in the Plan or an Award Agreement;

(xii) make and approve corrections in the documentation or administration of any Award;

(xiii) adopt such modifications, procedures, and sub-plans as may be necessary or desirable to comply with provisions of the laws of jurisdictions outside of the United States in which the Company or any Subsidiary may operate; and

(xiv) determine all facts necessary to administer the Plan and any Award Agreements.

(c) Action by the Board. All decisions by the Board shall be made in the Board's sole discretion and shall be final and binding on all persons having or claiming any interest in the Plan or in any Award. The Board shall consider such factors as it deems relevant, in its sole and absolute discretion, to making decisions, determinations and interpretations with respect to the Plan and any Award granted thereunder, including, without limitation, the recommendations or advice of any officer or other employee of the Company and such attorneys, consultants and accountants as the Board may select. No director or person acting pursuant to the authority delegated by the Board shall be liable for any action or determination relating to or under the Plan that is made in good faith.

(d) Appointment of Committees. To the extent permitted by applicable law, the Board may delegate any or all of its powers under the Plan to one or more Committees. All references in the Plan to the "Administrator" shall mean the Board or a Committee of the Board or the officers referred to in subsection (e) to the extent that the Board's powers or authority under the Plan have been delegated to such Committee or officers. The Board may retain the authority to concurrently administer the Plan with any Committee and may, at any time, revest in the Board some or all of the powers previously delegated.

(e) Delegation to Officers. To the extent permitted by applicable law, the Board may delegate to one or more officers of the Company the power to grant Awards, subject to any limitations under the Plan, to employees or officers of the Company or any of its present or future subsidiary corporations, and to exercise such other powers under the Plan as the Board may determine, *provided*, that the Board may fix the terms of the Awards to be granted by such officers and shall fix the maximum number of Shares (as defined below) subject to Awards that the officers may grant; *provided further, however*, that no officer shall be authorized to grant Awards to himself or herself.

(f) Section 16 of the Exchange Act. Notwithstanding Section 4(d) and 4(e), no delegation may be made by the Board that would cause Awards or other transactions under the Plan to cease to be exempt from Section 16(b) of the Exchange Act.

(g) Indemnification. In addition to such other rights of indemnification as they may have, members of the Board and any Committee (and any individuals to whom authority to act for the Board is delegated) shall be defended and indemnified by the Company to the extent permitted by law against all reasonable expenses, including attorneys' fees, actually and necessarily incurred in connection with the defense of any claim, investigation, action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan, or any Award granted hereunder, and against all amounts paid by them in settlement thereof (*provided* such settlement is approved by the Company) or paid by them in satisfaction of a judgment in any such claim, investigation, action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such claim, investigation, action, suit or proceeding that such person is liable for gross negligence, bad faith or intentional misconduct. Upon the institution of any such action, suit, or proceeding, any such indemnified person against whom a claim is made shall notify the Company in writing and give the Company the opportunity, within thirty (30) days after such notice and at its own expense, to handle and defend the same before such indemnified person undertakes to handle it on his or her own behalf.

5. **Eligibility for Awards**. Awards other than Incentive Stock Options may be granted to Employees, Directors and Consultants. Incentive Stock Options may be granted only to Employees.

6. **Types and Terms of Awards**.

(a) General. Awards may be made under the Plan in the form of (i) Options, (ii) SARs, (iii) Restricted Stock, (iv) Restricted Stock Units, (v) Unrestricted Stock; (vi) Performance Awards; and (vii) other Awards.

(b) Conditions of Awards. Subject to the terms of the Plan, the Administrator shall determine the provisions, terms, and conditions of each Award including, but not limited to, the vesting schedule, restrictions and restriction periods, repurchase provisions, rights of first refusal, forfeiture provisions, form of payment (cash, Shares, or other consideration) upon settlement of the Award, payment contingencies, and satisfaction of any Performance Goals. The Administrator may determine the effect on an Award of the disability, death, termination or other cessation of employment or service, authorized leave of absence or other change in the employment or service relationship of the Grantee. All of the terms and conditions of an Award shall be set forth in the applicable Award Agreement.

(c) Discretion of Administrator. Except as otherwise provided by the Plan, each Award may be made alone or in addition or in relation to any other Award. The terms of each Award need not be identical, and the Administrator need not treat Grantees uniformly.

(d) Rights of a Stockholder. A Grantee shall have no rights as a shareholder with respect to the Shares covered by an Award until the date the Grantee becomes the holder of record of such Shares. No adjustment shall be made for dividends or other rights for which the record date is prior to such date, except as provided by the Administrator.

7. **Options and SARs**.

(a) General. The Administrator may grant Options and SARs under the Plan and determine the number of Shares to be covered by each Option and/or SAR, the exercise price and such other terms, conditions and limitations applicable to the exercise of each Option and/or SAR, as it deems necessary or advisable. Subject to Section 7(g), Options granted under the Plan may be either Incentive Stock Options or Non-Qualified Stock Options. To the extent that any Option does not qualify as an Incentive Stock Option, it shall be deemed a Non-Qualified Stock Option.

(b) Exercise Price. The exercise price per Share subject to an Option or SAR shall be determined by the Administrator at the time of grant but shall not be less than 100% of the Fair Market Value on the date of grant. If an Employee owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than 10% of the combined voting power of all classes of stock of the Company or any Subsidiary or Parent of the Company, and an Incentive Stock Option is granted to such Employee, the exercise price of such Incentive Stock Option shall not be less than 110% of the Fair Market Value on the grant date. Notwithstanding the foregoing, Options may be granted with a per Share exercise price other than as required above as a substitution for a stock option or stock appreciation right in accordance with and pursuant to Section 424 of the Code, in the case of an Incentive Stock Option, and pursuant to Section 409A of the Code, in the case of a Non-Qualified Stock Option.

(c) Term of Options and SARs. The term of each Option and SAR shall be fixed by the Administrator and set forth in the Award Agreement; provided, however, that no Option or SAR shall be exercisable more than ten (10) years after the date of grant. If an Employee owns or is deemed to own (by reason of the attribution rules of Section 424(d) of the Code) more than 10% of the combined voting power of all classes of stock of the Company or any Subsidiary or Parent of the Company, and an Incentive Stock Option is granted to such Employee, the term of such Incentive Stock Option shall be no more than five (5) years from the date of grant.

(d) Exercisability. Options and SARs shall become exercisable at such time or times, whether or not in installments, as shall be determined by the Administrator and set forth in the Award Agreement; *provided, however*, that the Administrator may at any time accelerate the exercisability of all or any portion of any Option or SAR.

(e) Exercise of Options and SARs. Options and SARs may be exercised by delivery to the Company of a written notice of exercise in such form of notice (including electronic notice) and manner of delivery as is specified by the Administrator, together with payment in full as specified in subsection (f) for the number of Shares for which the Option or SAR is exercised. Shares subject to the Option or SAR will be delivered by the Company as soon as practicable following exercise. Neither an Option nor SAR may be exercised for a fraction of a Share.

(f) Payment Upon Exercise. No Shares shall be delivered pursuant to any exercise of an Option or SAR until payment in full of all required tax withholding, and in the case of an Option, the aggregate exercise price. Payment may be made either by certified or bank check, or such other means as the Administrator may accept. As determined by the Administrator, in its sole discretion, at or after grant, payment in full or in part may be made in the form of previously acquired Shares based on the Fair Market Value on the date of exercise. Subject to the approval of the Administrator, Options may be exercised pursuant to such cashless exercise procedures as may be approved and implemented by the Administrator from time to time, including without limitation pursuant to broker-assisted exercise transactions and/or net exercise procedures.

(g) Annual Limit on Incentive Stock Options. Each Option shall be designated in the Award Agreement as either an Incentive Stock Option or a Non-Qualified Stock Option. However, notwithstanding such designation, to the extent that the aggregate Fair Market Value of the Shares with respect to which Incentive Stock Options are exercisable for the first time by the Grantee during any calendar year (under all plans of the Company and any Subsidiary or Parent) exceeds $100,000, the portion of the Incentive Stock Options in excess of such threshold shall be treated as Non-Qualified Stock Options. For purposes of this Section 7(g), Incentive Stock Options shall be taken into account in the order in which they were granted. The Fair Market Value of the Shares shall be determined as of the time the Option with respect to such Shares is granted.

(h) Early Exercise. The Award Agreement for an Option or SAR may, but need not, include a provision whereby the Grantee may elect at any time while an Employee, Director or Consultant to exercise any part or all of the Option prior to full vesting. Any unvested Shares received pursuant to such exercise may be subject to a repurchase right in favor of the Company or any Subsidiary or Parent or to any other restriction the Administrator determines to be appropriate.

(i) No Repricing; No Reload Grants. Except for adjustments pursuant to Section 11, at any time when the exercise price of an Option or SAR exceeds the Fair Market Value of a Share, the Company shall not, without shareholder approval, reduce the exercise price of such Option or SAR or exchange such Option or SAR for a new Award with a lower (or no) exercise price or for cash. Options shall not be granted under the Plan in consideration for and shall not be conditioned upon the delivery of Shares to the Company in payment of the exercise price and/or tax withholding obligation under any other employee stock option.

(j) Non-Exempt Employees. No Option or SAR, whether or not vested, granted to an Employee who is a nonexempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, will be first exercisable for any Shares until at least six months following the date of grant of such Award. Notwithstanding the foregoing, in accordance with the provisions of the Worker Economic Opportunity Act, any vested portion of such Award may be exercised earlier than six months following the date of grant of such Award in the event of (i) such Grantee's death or disability, (ii) a Corporate Transaction in which such Award is not assumed, continued or substituted, or (iii) such Participant's retirement (as such term may be defined in the Award Agreement or another applicable agreement or, in the absence of any such definition, in accordance with the Company's then current employment policies and guidelines). This Section 7(j) is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate or pay.

8. **Restricted Stock, Restricted Stock Units, Unrestricted Stock, Performance Awards and Other Awards**.

(a) General. The Administrator shall determine the terms and conditions of each Award Agreement for Restricted Stock, Restricted Stock Units and Unrestricted Stock. Subject to the terms of the Plan, Award Agreements for Restricted Stock and Restricted Stock Units shall include such restrictions as the Administrator may impose, which restrictions may lapse separately or in combination at such time or times, in such installments or otherwise, as the Administrator may deem appropriate.

(b) Stock Certificates. The Company may require that any stock certificates issued in respect of Shares of Restricted Stock shall be deposited in escrow by the Grantee, together with a stock power endorsed in blank, with the Company (or its designee). Following the expiration of the applicable restriction periods, the Company (or such designee) shall deliver the certificates no longer subject to such restrictions to the Grantee or if the Grantee has died, to the beneficiary designated by such Grantee in a manner determined by the Administrator. In the absence of an effective designation by a Grantee, the designated beneficiary shall be the Grantee's estate.

(c) Forfeiture and the Option to Purchase. Except as otherwise determined by the Administrator, upon a Grantee's termination of employment or service (as determined under criteria established by the Administrator) for any reason during the applicable restriction period, the Company (or its designee) shall have the right, but shall not be obligated, to repurchase all or part of Shares of Restricted Stock still subject to restriction at their issue price or other stated or formula price (or to require forfeiture of such Shares if issued at no cost) from the Grantee.

(d) Dividends; Dividend Equivalents. Grantees who hold Restricted Stock shall be entitled to receive all dividends and other distributions paid with respect to those shares of Restricted Stock, unless determined otherwise by the Administrator. The Administrator will determine whether any such dividends or distributions will be automatically reinvested in additional shares of Restricted Stock and/or subject to the same restrictions on transferability as the Restricted Stock with respect to which they were distributed or whether such dividends or distributions will be paid in cash. The Administrator may, but need not, provide in the Award Agreement for Restricted Stock Units that the Company will pay or accrue dividend equivalents with respect to such Restricted Stock Units on each date dividends on Common Stock are paid prior to the settlement of the Restricted Stock Units, subject to such conditions as the Administrator may deem appropriate. The time and form of any such payment of dividend equivalents shall be specified in the Award Agreement.

(e) Settlement of Restricted Stock Units. Restricted Stock Units may be settled in any form specified by the Administrator in the Award Agreement, including but not limited to the delivery of Shares, cash, or a combination of cash and Shares as deemed appropriate by the Administrator. At the time of grant, the Administrator may determine to impose such restrictions or conditions that delay such delivery to a date following the vesting of the Restricted Stock Units.

(f) Performance Awards. With respect to any Performance Award, the length of any Performance Period, the Performance Goals to be achieved during the Performance Period, the other terms and conditions of such Award, and the measure of whether and to what degree such Performance Goals have been attained will be determined by the Board.

(g) Other Awards. The Board may grant other forms of Awards, which may, but are not required to be, valued in whole or in part by reference to, or otherwise based on, Common Stock, including the appreciation in value thereof (e.g., options or stock rights with an exercise price or strike price less than 100% of the Fair Market Value at the time of grant) either alone or in addition to Awards provided for under Section 7 and the preceding provisions of this Section 8. Subject to the provisions of the Plan, the Board will have sole and complete discretion to determine the persons to whom and the time or times at which such other Awards will be granted, the number of Shares (or the cash equivalent thereof) to be granted pursuant to such other Awards and all other terms and conditions of such other Awards.

9. **General Provisions Applicable to Awards**.

(a) Transferability of Awards. Except as the Administrator may otherwise determine or provide in an Award Agreement, Awards shall not be sold, assigned, transferred, pledged or otherwise encumbered by the person to whom they are granted, either voluntarily or by operation of law, except by will or the laws of descent and distribution, or to the extent required by law. References to a Grantee, to the extent relevant in the context, shall include references to authorized transferees.

(b) Withholding. The Grantee must satisfy all applicable federal, state, and local or other income and employment tax withholding obligations before the Company will deliver stock certificates (or such other consideration payable pursuant to the Award) or otherwise recognize ownership of Shares under an Award. The Company may decide to satisfy the withholding obligations through additional withholding on salary, wages or other compensation, subject to applicable law. If the Company elects not to or cannot withhold from other compensation, the Grantee must pay the Company the full amount, if any, required for withholding or, if permitted by the Administrator in its discretion, have a broker tender to the Company cash equal to the withholding obligations. If provided for in an Award or approved by the Administrator in its sole discretion, a Grantee may satisfy such tax obligations in whole or in part by delivery of Shares, including Shares retained from the Award creating the tax obligation, valued at their Fair Market Value. Shares surrendered to satisfy tax withholding requirements cannot be subject to any repurchase, forfeiture, unfulfilled vesting or other similar requirements.

(c) Amendment of Awards. The Administrator may amend, modify or terminate any outstanding Award or Award Agreement at any time and for any reason. The Grantee’s consent to such action shall be required unless (A) the Administrator determines that the action, taking into account any related action, would not materially adversely affect the Grantee’s rights under the Plan, (B) the action is permitted under Section 11 or 12 hereof or (C) the Administrator determines that the action is required or advisable in order for the Company, the Plan or the Award to satisfy any law or regulation or to meet the requirements of or avoid adverse financial accounting consequences under any accounting standard.

10. **Conditions Upon Issuance of Shares**.

(a) Compliance with Laws. The Plan, the Awards thereunder, and the obligation of the Company to deliver Shares (or other consideration) under such Awards, shall be subject to all applicable foreign, federal, state and local laws, rules and regulations, stock exchange rules and regulations, and to such approvals by any governmental or regulatory agency as may be required. The Company shall not be required to register in a Grantee's name or deliver Shares prior to the completion of any registration or qualification of such Shares under any foreign, federal, state or local law or any ruling or regulation of any government body which the Administrator shall determine to be necessary or advisable. To the extent the Company is unable to or the Administrator deems it infeasible to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, the Company shall be relieved of any liability with respect to the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained. No Option or SAR shall be exercisable and no Shares shall be issued and/or transferable under any other Award unless a registration statement with respect to the Common Stock underlying such Award is effective and current or the Company has determined that such registration is unnecessary. The Company shall have no obligation to effect any registration or qualification of the Shares under foreign, federal, state or local laws, rules or regulations.

(b) Non-U.S. Grantees. In the event an Award is granted to or held by a Grantee who is employed or providing services outside the United States, the Administrator may, in its sole discretion, modify the provisions of the Plan or of such Award as they pertain to such individual to comply with applicable foreign law or to recognize differences in local law, currency or tax policy. The Administrator may also impose conditions on the grant, issuance, exercise, vesting, settlement or retention of Awards in order to comply with such foreign law and/or to minimize the Company's obligations with respect to tax equalization for Grantees employed outside their home country.

11. **Adjustments**. In the event of any stock split, reverse stock split, stock dividend, recapitalization, combination or exchange of shares, reclassification of shares, spin-off or other similar change in capitalization or event, or any dividend or distribution to holders of Shares other than an ordinary cash dividend, (i) the number and class of securities available under this Plan, (ii) the number and class of securities and exercise price per Share of each outstanding Option and SAR, (iii) the number of Shares subject to and the repurchase price per Share subject to each outstanding Restricted Stock Award and Restricted Stock Unit Award, and (iv) the terms of each other outstanding Award shall be equitably adjusted by the Company (or substituted Awards may be made, if applicable) in the manner determined by the Administrator; provided, however, that each adjustment to Non-Qualified Stock Options shall satisfy the requirements of Treas. Reg. § 1.409A-1(b)(5)(v)(D) (or any successor regulation) and each adjustment to Incentive Stock Options shall satisfy the requirements of Treas. Reg. § 1.424-1 (or any successor regulation).

12. **Corporate Transactions**.

(a) The Administrator may provide, in its discretion, with respect to the treatment of each outstanding Award (either separately for each Award or uniformly for all Awards), upon the consummation of a Corporate Transaction (such time to be referred to as the "Effective Time"), for any of the following:

(i) any or all outstanding Options and SARs shall become vested and immediately exercisable, in whole or in part;

(ii) any or all outstanding Restricted Stock or Restricted Stock Units shall become non-forfeitable, in whole or in part;

(iii) any or all outstanding Options and SARs shall be cancelled in exchange for substitute stock options in a manner consistent with the requirements of Treas. Reg. § 1.409A-1(b)(5)(v)(D) (or any successor regulation), in the case of a Non-Qualified Stock Option, and Treas. Reg. §1.424-1(a) (or any successor regulations), in the case of an Incentive Stock Option;

(iv) any Option or SAR shall be cancelled in exchange for cash and/or other substitute consideration with a value equal to (A) the number of Shares subject to that Option or SAR, multiplied by (B) the difference, if any, between the Fair Market Value per Share on the date of the Corporate Transaction and the exercise price of that Option or SAR; provided, that if the Fair Market Value per Share on the date of the Corporate Transaction does not exceed the exercise price of any such Option or SAR, the Administrator may cancel that Option or SAR without any payment of consideration therefor;

(v) any Restricted Stock or Restricted Stock Units shall be cancelled in exchange for restricted stock of or restricted stock units in respect of the capital stock of any successor corporation;

(vi) any Restricted Stock shall be redeemed for cash and/or other substitute consideration with a value equal to the Fair Market Value per Share on the date of the Corporate Transaction; or

(vii) any Restricted Stock Unit shall, subject to Section 16, be cancelled in exchange for cash and/or other substitute consideration with a value equal to the Fair Market Value per Share on the date of the Corporate Transaction.

Subject to Section 409A of the Code, in the event that an Award is treated as provided for in clause (iv), (vi) or (vii), such payment may be made in installments and may be deferred until the date or dates the Award would have become exercisable or vested. Such payment may be subject to vesting based on the Grantee's continued service, provided that the vesting schedule shall not be less favorable to the Grantee than the schedule under which the Award would have become vested or exercisable. For this purpose, the Fair Market Value of any security shall be determined without regard to any vesting conditions that may apply to such security.

In the event a successor or acquiring corporation (if any) refuses to assume, convert, replace or substitute Awards, as provided above, pursuant to a Corporate Transaction, then notwithstanding any other provision in this Plan to the contrary, such Awards shall have their vesting accelerate as to all shares subject to such Awards (and any applicable right of repurchase fully lapse) immediately prior to the Corporate Transaction. In addition, in the event such successor or acquiring corporation (if any) refuses to assume, convert, replace or substitute Awards, as provided above, pursuant to a Corporate Transaction, the Administrator will notify the Grantee in writing or electronically that such Award will be exercisable for a period of time determined by the Committee in its sole discretion, and such Award will terminate upon the expiration of such period.

(b) As a condition to the receipt of an Award under this Plan, a Grantee will be deemed to have agreed that the Award will be subject to the terms of any agreement governing a Corporate Transaction involving the Company, including, without limitation, a provision for the appointment of a stockholder representative that is authorized to act on the Grantee's behalf with respect to any escrow, indemnities and any contingent consideration.

(c) Notwithstanding anything to the contrary herein, no action taken by the Administrator pursuant to this Section 12 shall cause an Award that is subject to Section 409A of the Code to violate the requirements of Section 409A of the Code.

13. **Effective Date and Term of Plan; Stockholder Approval**.

(a) Effective Date and Term of Plan. The Plan shall become effective as of, and contingent upon, the occurrence of the Effective Date and shall continue in effect until the tenth (10th) anniversary of the earlier of (i) the date the Board adopts the Plan and (ii) the date the Company's stockholders approve the Plan unless sooner terminated.

(b) Stockholder Approval. No Option or SAR granted under the Plan may be exercised, no Shares (or other consideration) shall be issued under the Plan, and no Restricted Stock Unit shall be settled, until the Plan is approved by the Company's stockholders. If such stockholder approval is not obtained within twelve (12) months after the date of the Board's adoption of the Plan, then all Awards previously granted under the Plan shall automatically terminate and cease to be outstanding, and no further Awards shall be granted under the Plan.

14. **Amendment, Suspension or Termination of the Plan**.

(a) General. Subject to the terms of the Plan, the Board may at any time and from time to time, alter, amend, suspend or terminate the Plan, in whole or in part; provided that the Board shall obtain stockholder approval of any Plan amendment to the extent necessary to comply with applicable law, rule or regulation. In addition, in no event shall an amendment increase the maximum number of shares of Common Stock with respect to which Awards may be granted under the Plan without stockholder approval.

(b) Limitation on Grants of Awards. No Award may be granted during any suspension of the Plan or after termination or expiration of the Plan, but Awards previously granted may extend beyond that date.

(c) No Effect on Outstanding Awards. Except as set forth in Section 13(b), no suspension or termination of the Plan shall materially adversely affect any rights under Awards outstanding at the time of such suspension or termination.

15. **No Employment or Services Rights**. The Plan shall not confer upon any Grantee any right to employment or service with the Company or any Subsidiary or Parent, nor shall it interfere in any way with the right of the Company or any Subsidiary or Parent to terminate the Grantee's employment or service at any time.

16. **Compliance with Code Section 409A**. It is intended that the provisions of the Plan and any Award granted thereunder comply with or be exempt from Section 409A of the Code and the Treasury regulations thereunder (together, "Section 409A"), and all provisions of the Plan and any Award shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. If an Award that is subject to Section 409A is payable upon a Corporate Transaction which is not a permissible payment event or time (as described in Treas. Reg. § 1.409A-3) then, for purposes of payment of such Award, no Corporate Transaction shall be deemed to have occurred with respect to that Award unless and until there occurs a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the assets of the Company (within the meaning in accordance with Treas. Reg. § 1.409A-3(i)(5)). To the extent required or advisable to avoid a violation of Section 409A, no discretion to require payment of an Award that is subject to Section 409A upon a Corporate Transaction shall be exercised if not set forth in writing by the time required under Section 409A. If an Award is subject to Section 409A and payment is due upon a termination of employment or service, payment shall only be made if such termination constitutes a "separation from service" within the meaning of Section 409A. If an Award is subject to Section 409A and payment is due upon a Grantee's disability, payment shall be made upon a determination by the Administrator that the Grantee is disabled within the meaning of Treas. Reg. § 1.409A-3(i)(4). If an Award is subject to Section 409A, any payment made to a Grantee who is a "specified employee" (within the meaning of Section 409A) of the Company or any Subsidiary shall not be made before the date that is six months after the Grantee's "separation from service" (within the meaning of Section 409A) to the extent required to avoid the adverse consequences of Section 409A. Nothing in this Plan or in an Award Agreement shall be interpreted or construed to transfer any liability for any tax (including a tax or penalty due as a result of a failure to comply with Section 409A) to the Company or to any other individual or entity, and the Company shall have no liability to a Grantee, or any other party, if an Award that is intended to be exempt from, or compliant with, Section 409A is not so exempt or compliant.

17. **Effect on Other Employee Benefit Plans**. Nothing contained in the Plan shall prevent the Company or any Subsidiary or Parent from adopting other or additional compensation arrangements for its employees or other service providers. The value of any Award granted under the Plan, as determined upon grant, vesting or settlement, shall not be included as compensation, earnings, salaries, or other similar terms used when calculating any Participant's benefits under any employee benefit plan sponsored by the Company or any Subsidiary, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Subsidiary's employee benefit plans.

18. **Unfunded Status of Plan**. The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payments as to which a Grantee has a fixed and vested interest but which are not yet made to a Grantee by the Company, nothing contained herein shall give any such Grantee any rights that are greater than those of a general unsecured creditor of the Company.

19. **Electronic Signatures**. For purposes of the Plan, a document shall be considered to be executed if signed electronically pursuant to procedures approved by the Company.

20. **Recoupment; Clawback**. Subject to the terms and conditions of the Plan, the Administrator may provide that any Grantee and/or any Award, including any Shares subject to an Award, is subject to any recovery, recoupment, clawback and/or other forfeiture policy maintained by the Company from time to time.

21. **Construction**. Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of the Plan. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

22. **Severability**. If any provision of the Plan or any Award is, becomes, or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or as to any Grantee, such provision shall be construed or deemed amended to conform with applicable laws, or if the provision cannot be so construed or deemed amended without, in the sole discretion of the Administrator, materially altering the intent of the Plan or the Award, such provision shall be severed as to the jurisdiction or Grantee and the remainder of the Plan and any such Award shall remain in full force and effect.

23. **Governing Law**. The validity and construction of the Plan and any Award Agreements thereunder shall be governed by the laws of the State of Delaware, excluding any conflicts or choice of law rules or principles that might otherwise refer construction or interpretation of any provision of the Plan or an Award Agreement to the substantive law of another jurisdiction.

Exhibit 10.4.1

STOCK OPTION GRANT NOTICE

UNDER THE HUMACYTE, INC.
2021 LONG-TERM INCENTIVE PLAN

Humacyte, Inc. (the "Company") hereby grants to Grantee, as of the Grant Date, an option (this "Option") to purchase shares of the Company's Common Stock pursuant to the Humacyte, Inc. 2021 Long-Term Incentive Plan (as amended from time to time, the "Plan"). Capitalized terms not otherwise defined herein will have the meanings set forth in the Plan or the attached Stock Option Agreement (the "Award Agreement").

Grantee:	[Full Name]
Grant Date:	[Month Day, Year]
Maximum Number of Shares Subject to Option:	[Number]
Exercise Price Per Share:	USD [Exercise Price]
Type of Option:	[Nonqualified Stock Option][Incentive Stock Option]
Vesting Commencement Date:	[Month Day, Year]
Expiration Date:	The date [ten (10)] years after the Grant Date set forth above, subject to earlier expiration as provided in Section 4 of the Award Agreement.
Vesting Schedule:	The Option shall vest as follows, subject to Grantee's continued employment or services through such date: [(i) 25% of the Shares subject to the Option on the Grant Date shall vest on the one-year anniversary of the Vesting Commencement Date, and (ii) 1/48th of the Shares subject to the Option on the Grant Date shall vest each month after the one-year anniversary of the Vesting Commencement Date on the same day of the month as the Vesting Commencement Date (or if there is no corresponding day, on the last day of such month) over a period of 36 months, such that all of the Shares subject to the Option on Grant Date shall be fully vested on the four-year anniversary of the Vesting Commencement Date].

Additional Terms & Acknowledgement:

Grantee and the Company agree that the Option is granted under and governed by this Grant Notice and by the provisions of the Plan and the Award Agreement. The Plan and the Award Agreement are incorporated herein by reference. Grantee acknowledges receipt of a copy of this Grant Notice, the Plan and the Award Agreement, represents that Grantee has carefully read and is familiar with their provisions, and hereby accepts the Option subject to all of their respective terms and conditions. Notwithstanding anything in the prior sentence, if Grantee has not actively accepted the Option within three (3) months of the Grant Date, Grantee is deemed to have accepted the Option, subject to all of the terms and conditions in this Grant Notice, the Plan and the Award Agreement, unless otherwise determined by the Administrator.

This Grant Notice may be executed and delivered electronically whether via the Company's intranet or the Internet site of a third party or via email or any other means of electronic delivery specified by the Company. By Grantee's acceptance hereof (whether written, electronic or otherwise), Grantee agrees, to the fullest extent permitted by law, that in lieu of receiving documents in paper format, Grantee accepts the electronic delivery of any documents that the Company (or any third party the Company may designate), may deliver in connection with this grant (including the Plan, this Grant Notice, the Award Agreement, account statements, or other communications or information) whether via the Company's intranet or the Internet site of such third party or via email or such other means of electronic delivery specified by the Company.

* * * * *

HUMACYTE, INC.

By: _____
Name:
Title:

GRANTEE

_____
[Name]

STOCK OPTION AGREEMENT

UNDER THE HUMACYTE, INC.
2021 LONG-TERM INCENTIVE PLAN

THIS STOCK OPTION AGREEMENT (this "Agreement") is made by and between the Company and Grantee. Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Plan or in the Stock Option Grant Notice attached as the facing page(s) to this Agreement (the "Grant Notice"), as applicable. References to this Agreement shall also be deemed to include a reference to the Grant Notice, unless the context provides otherwise.

1. Grant of Option. Grantee has been granted an option to purchase from the Company the number of shares of Common Stock as set forth in the Grant Notice, at the Exercise Price set forth in the Grant Notice, in accordance with the terms and conditions stated in this Agreement and in the Plan. The shares of Common Stock subject to the Option granted hereby are referred to below as the "Shares".

2. Definitions.

(a) "Cause" shall mean (x) the definition ascribed to such term in an employment or other service agreement between Grantee and the Company, a Subsidiary or any surviving entity following a Corporate Transaction, or (y) in absence of any such definition, that Grantee's service, as an employee or otherwise, with the Company or any surviving entity following a Corporate Transaction shall have terminated principally because (i) of Grantee's breach of any employment, noncompetition or other agreement with such entity; (ii) Grantee commits any act of dishonesty toward such entity, theft of corporate property or unethical business conduct, or is convicted of any misdemeanor or felony involving dishonest, immoral or unethical conduct; (iii) Grantee commits any act of insubordination, fails to comply with any instructions of such entity's president or board of directors, or materially violates any material policy of such entity (including any policy of non-discrimination or non-harassment), or (iv) Grantee commits any act or omission which such entity determines, in good faith, may materially adversely affect such entity's business or operations, unless Grantee cures such action or omission within five (5) days after notice from such entity. The determination that a termination of Grantee's employment or other service is either for Cause or without Cause will be made by the Administrator, and any determination by the Administrator that the employment or other service of Grantee was terminated with or without Cause for the purposes of this Agreement will have no effect upon any determination of the rights or obligations of the Company or Grantee for any other purpose.

(b) "Disability" shall mean any illness or other physical or mental condition of Grantee that renders Grantee incapable of performing his customary and usual duties for the Company, or any medically determinable illness or other physical or mental condition resulting from a bodily injury, disease or mental disorder that will continue for at least 180 days as stated in the reasonable opinion of a qualified doctor approved by Grantee and the Administrator. If Grantee refuses to submit to the examination by, or participate in the selection of, a physician, or if Grantee and the Administrator are unable to agree on the selection of a physician, then the determination of whether there is a Disability will be made by the Administrator acting in good faith. Notwithstanding the above, with respect to an Incentive Stock Option, Disability shall mean Permanent and Total Disability as defined in Section 22(e)(3) of the Code.

(c) An "Involuntary Termination" is any Termination of Service of Grantee by the Company or any surviving entity in a Corporate Transaction for any reason other than for Cause.

(d) A "Termination of Service" means a separation from service from the Company or any Subsidiary thereof.

3. Vesting of Option.

(a) Subject to Section 3(b) below, the Option shall vest and become exercisable in accordance with the Vesting Schedule set forth in the Grant Notice.

(b) If the surviving entity in a Corporate Transaction assumes or replaces the Option and if there is an Involuntary Termination of Grantee's employment within the period that commences thirty (30) days prior to the effective date of such Corporate Transaction and that ends twelve (12) months following the effective date of such Corporate Transaction, the Option shall vest and become exercisable, to the extent not already vested and exercisable, on the date of such Involuntary Termination.

4. Termination of Option.

(a) The Option shall remain exercisable with respect to any then vested portion thereof until the earliest to occur of the dates specified below, upon which date the Option shall terminate:

(i) the date all of the Shares are purchased by Grantee pursuant to the terms of this Agreement;

(ii) upon the expiration of three (3) months following Grantee's Termination of Service for any reason other than Cause, death or Disability;

(iii) immediately upon the Termination of Service of Grantee by the Company for Cause;

(iv) upon the expiration of one (1) year following Grantee's Termination of Service as a result of death or Disability;

(v) upon the expiration of one (1) year following the date of Grantee's death, if death shall have occurred following Grantee's Termination of Service and while the Option was still exercisable;

(vi) on the thirtieth (30th) day following the date that the Company files articles of dissolution with the state in which the Company is incorporated or is otherwise dissolved under applicable law (the "Dissolution Date");

(vii) on the date the Option is cancelled in connection with a Corporate Transaction pursuant to the Plan (the "Cancellation Date"); or

(viii) the Expiration Date set forth in the Grant Notice.

(b) The Option shall be immediately cancelled and forfeited with respect to any then unvested portion thereof upon the earliest to occur of the following dates: the date of Grantee's Termination of Service, the Dissolution Date, the Cancellation Date and the Expiration Date.

(c) Upon its termination, the Option shall have no further force or effect and Grantee shall have no further rights under the Option or to any Shares that have not been purchased pursuant to prior exercise of the Option.

5. Exercise of Option.

(a) Subject to Section 4, the Option may be exercised at any time and from time to time to purchase up to the number of Shares as to which it is then vested and exercisable in accordance with Section 3.

(b) The Option may be exercised only by (i) Grantee's completion, execution and delivery to the Company of a notice of exercise in the form supplied by the Company (which may be electronic), (ii) the payment to the Company, pursuant to the terms of this Agreement, of an amount equal to the Exercise Price multiplied by the number of Shares being purchased as specified in Grantee's notice of exercise, and (iii) the satisfaction by Grantee, in a manner acceptable to the Company, of any withholding liability under any state, federal or other law arising in connection with exercise of the Option. Grantee must provide notice of exercise of the Option with respect to no fewer than 100 Shares (or if the Option is vested and exercisable with respect to fewer than 100 Shares, such lesser number). Grantee's notice of exercise shall be given in the manner specified in Section 11 (or such other manner as may be specified by the Administrator) but any exercise of the Option shall be effective only when the items required by this paragraph are actually received by the Company. Notwithstanding anything to the contrary in this Agreement, the Option may be exercised only if compliance with all applicable federal, state and other securities laws can be effected.

(c) Payment of the aggregate Exercise Price may be made in cash or by check payable to the order of the Company for an amount in U.S. dollars equal to the aggregate Exercise Price of such Shares. Payment may also be made by delivery of Shares held by Grantee for the requisite period necessary to avoid a charge to the Company's earnings for financial reporting purposes, as determined by the Administrator in its discretion, and having an aggregate Fair Market Value equal to the amount of cash that would otherwise be required to pay the aggregate Exercise Price. Upon approval by the Administrator, payment may also be made by (i) authorizing a third party to sell a portion of the Shares acquired upon exercise of the Option and remit to the Company a sufficient portion of the sales proceeds to pay the aggregate Exercise Price, or (ii) cashless exercise, in each case pursuant to the procedures established by the Administrator for this purpose. Payment may also be made by combining the above methods, to the extent permitted by the Administrator. To the extent that Shares are used in making full or partial payment of the Exercise Price, each such Share will be valued at the Fair Market Value thereof as of the date of exercise. Any overpayment will be promptly refunded, and any underpayment will be deemed an exercise of such lesser whole number of Shares as the amount paid is sufficient to purchase.

(d) Except as otherwise provided in the Plan, upon any exercise of the Option by Grantee or as soon thereafter as is practicable, the Company shall issue and deliver to Grantee a certificate or certificates evidencing such number of Shares as Grantee has then elected to purchase. Such certificate or certificates shall be registered in the name of Grantee and shall bear such legends as the Company deems appropriate.

6. Provisions Applicable to Incentive Stock Options. The provisions of this Section 6 apply only to the extent the Option is designated as an Incentive Stock Option in Section 1:

(a) The Option shall be construed so that it is in compliance with the requirements of Code Section 422. If for any reason the Option does not meet the requirements of Code Section 422, then the Option or any portion of the Option, as necessary, shall be deemed a Non-Qualified Stock Option.

(b) If the aggregate Fair Market Value, determined on the date of grant, of the Shares to which the Option and any other incentive stock options are exercisable for the first time by Grantee during any calendar year under the Plan or any other stock option plan of the Company exceeds $100,000, the Option shall be deemed a Non-Qualified Stock Option to the extent of such excess.

7. Restrictions on Transfer. The Option may not be sold, transferred for value, pledged, assigned, or otherwise alienated or hypothecated by Grantee other than by will or the laws of descent and distribution. The Option shall be exercisable only by Grantee during his or her lifetime. For this purpose, any reference to Grantee shall (when applicable) be deemed to be and include references to Grantee's estate, executors or administrators, personal or legal representatives and transferees (direct or indirect). Any person to whom the Option is transferred in accordance with this Agreement shall be bound by all provisions of the Plan and this Agreement.

8. Rights Prior to Exercise. Grantee will have no rights as a shareholder with respect to the Shares unless and until such Shares are issued to Grantee pursuant to the exercise of the Option.

9. No Right to Continued Service. Nothing in this Agreement shall be construed as constituting a commitment, guarantee, agreement or understanding of any kind or nature that the Company shall continue to retain the services of Grantee, nor shall this Agreement affect in any way the right of the Company to terminate the services of Grantee as an employee or otherwise at any time and for any reason. By Grantee's execution of this Agreement, Grantee acknowledges and agrees that Grantee's service relationship with the Company is "at will." No change of Grantee's duties to the Company shall result in, or be deemed to be, a modification of any of the terms of this Agreement.

10. Binding Effect. This Agreement shall be binding upon, and shall inure to the benefit of, the Company and Grantee, and their respective heirs, personal and legal representatives, successors and assigns. Each of the Company's affiliates shall be deemed to be a third-party beneficiary under this Agreement. The provisions of this Agreement extend to these third-party beneficiaries.

11. Notices. Any and all notices under this Agreement shall be in writing, and sent by hand delivery or by certified or registered mail (return receipt requested and first-class postage prepaid), in the case of the Company, to its principal executive offices to the attention of the President, and, in the case of Grantee, to Grantee's address as shown on the Company's records.

12. Terms and Conditions of Plan. The terms and conditions included in the Plan, the receipt of a copy of which Grantee hereby acknowledges by execution of this Agreement, are incorporated by reference herein, and to the extent that any conflict may exist between any term or provision of this Agreement and any term or provision of the Plan, the term or provision of the Plan shall control.

13. Unsecured and Unfunded Agreement. Any rights of Grantee hereunder shall be no greater than the right of an unsecured general creditor of the Company. Any payments to be made hereunder shall be paid from the general funds of the Company, and no special or separate fund shall be established and no segregation of assets shall be made to assure payment of such amounts.

14. Governing Law. The Option and this Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without reference to principles of choice or conflict of laws that would otherwise refer to the laws of another jurisdiction.

15. Entire Agreement. The parties hereto agree that this Agreement sets forth all of the promises, agreements, conditions, understandings, warranties, and representations between the parties with respect to the Option and Shares and that there are no promises, agreements, conditions, understandings, warranties, or representations, oral or written, express or implied between the parties with respect to the Option and Shares other than as set forth in this Agreement. Grantee accepts the Option in full satisfaction of any and all obligations of the Company with respect to options granted or to be granted to Grantee, pursuant to the Plan or otherwise.

16. Waiver. Any waiver of any provision contained in this Agreement shall not be valid unless made in writing and signed by the person or persons sought to be bound by such waiver. The waiver by the Company of a breach of any provision of this Agreement by Grantee shall not operate or be construed as a waiver of any subsequent breach by Grantee.

17. Amendment. Any amendment of this Agreement shall be effective only when signed by the Company and Grantee, except that the Administrator may amend this Agreement in its sole discretion and without the consent of Grantee in accordance with the provisions of Section 9(c) of the Plan (Amendment of Awards).

18. Severability. The provisions of the Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions, and any partially unenforceable provision to the extent enforceable in any jurisdiction, shall nevertheless be binding and enforceable.

19. Action by Administrator. All determinations made by the Administrator with respect to the interpretation, construction and application of any provision of this Agreement shall be final, conclusive and binding on the parties and any other persons having or claiming any interest in the Option or this Agreement.

20. Code Section 409A. The Option and this Agreement shall be interpreted to be exempt from the requirements of Section 409A pursuant to Section 1.409A-1(b)(5)(i) of the Treasury regulations promulgated under Section 409A. Any action that may be taken (and, to the extent possible, any action actually taken) by the Administrator or the Company shall not be taken (or shall be void and without effect), if such action violates the requirements of Section 409A. If the failure to take an action under this Agreement would violate Section 409A, then to the extent it is possible thereby to avoid a violation of Section 409A, the rights and effects under this Agreement shall be altered to avoid such violation. Any provision in this Agreement that is determined to violate the requirements of Section 409A shall be void and without effect. In addition, any provision that is required to appear in this Agreement to satisfy the requirements of Section 409A, but that is not expressly set forth, shall be deemed to be set forth herein, and the Agreement shall be administered in all respects as if such provision were expressly set forth. Nothing in this Agreement shall be interpreted or construed to transfer any liability for any tax (including a tax or penalty due as a result of a failure to comply with Section 409A) to the Company or to any other individual or entity, and the Company shall have no liability to Grantee, or any other party, if this Award is not exempt or compliant with Section 409A. In all cases, the provisions of this paragraph shall apply notwithstanding any contrary provision of the Agreement.

21. Data Privacy. Grantee acknowledges and agrees that the Company and its affiliates will process and retain certain personal data for the purposes of (1) calculating Awards, (2) monitoring Award terms and conditions, and (3) otherwise administering the Plan and Awards made under it. Such personal data may include, among other things, Grantee's name, address, email address, social security number, pay data, job title, and employment dates. By executing this Agreement, Grantee consents to such processing, and to the sharing of such personal data with the Company, its affiliates, its agents, its advisers, its regulators, and tax authorities, wherever appropriate.

22. No Advice Regarding the Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding Grantee's participation in the Plan, or Grantee's acquisition or sale of the underlying Shares. Grantee is hereby advised to consult with Grantee's own personal tax, legal and financial advisors regarding Grantee's participation in the Plan before taking any action related to the Option or the Plan.

23. Electronic Delivery and Acceptance. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. Grantee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an online or electronic system established and maintained by the Company or a third party designated by the Company. Grantee also agrees that all online acknowledgements shall have the same force and effect as a written signature.

24. Imposition of Other Requirements. The Company reserves the right to impose other requirements on Grantee's participation in the Plan, on the Option, and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require Grantee (or any permitted transferee) to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.

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HUMACYTE, INC.
2021 EMPLOYEE STOCK PURCHASE PLAN

The purpose of the Plan is to provide eligible employees of the Company and each Designated Company with opportunities to purchase shares of the Company's Common Stock. 1,030,033 shares of Common Stock have been approved and reserved for this purpose. Commencing on January 1, 2022 and on each subsequent anniversary thereof (but not following the ten year anniversary of the Effective Date), the number of shares of Common Stock reserved and available for issuance under the Plan will automatically increase in an amount equal to 1% of the total number of shares of the Company's capital stock outstanding on December 31 of the preceding year; provided, however that the Board may act prior to January 1st of a given year to provide that the increase for such year will be a lesser number of shares of Common Stock. Notwithstanding the foregoing, in no event shall the maximum aggregate number of shares available for issuance under the Plan exceed 13 million shares. The number of shares reserved for issuance under this Plan and the maximum number of shares that may be issued under this Plan shall be subject to adjustments effected in accordance with Section 16 of this Plan.

The Company intends this Plan to qualify as an "employee stock purchase plan" under Code Section 423 (including any amendments to or replacements of such Section), and this Plan shall be so construed. Any term not expressly defined in this Plan but defined for purposes of Code Section 423 shall have the same definition herein. However, with regard to offers of options for purchase of the Common Stock under the Plan to employees outside the United States working for a Subsidiary or an Affiliate of the Company, the Board may offer a sub-plan or an option that is not intended to meet the Code Section 423 requirements, provided, if necessary under Code Section 423, that the other terms and conditions of the Plan are met. For the avoidance of doubt, the adoption of a sub-plan shall not be the adoption of a new plan for purposes of Treas. Reg. § 1.423-2(c).

Unless otherwise defined herein, capitalized terms in this Plan shall have the meaning ascribed to them in Section 31.

1. Administration. The Plan shall be administered by the Administrator. The Administrator has full authority at any time to: (i) adopt, alter and repeal such rules, guidelines and practices for the administration of the Plan and for its own acts and proceedings as it shall deem advisable and appoint such agents as it deems appropriate for the proper administration of the Plan; (ii) interpret and construe, reconcile any inconsistency in, correct any default in and supply any omission in, and apply the terms of the Plan and any Enrollment Form or other instrument or agreement relating to the Plan; (iii) determine the terms and conditions of any right to purchase shares of Common Stock under the Plan; (iv) make all determinations and take all actions it deems advisable for the administration of the Plan, including to accommodate the specific requirements of local laws, regulations and procedures for jurisdictions outside the United States, such as adopting rules and procedures regarding payment of interest (if any), conversion of local currency, payroll tax, withholding procedures and handling of stock certificates that vary with local requirements outside of the United States, and adopting sub-plans applicable to particular Designated Companies or locations, which sub-plans may be necessary or appropriate to permit the participation in the Plan by employees who are foreign nationals or employed outside the United States, as further set forth in Section 12 below; (v) determine eligibility and decide all disputes arising in connection with the Plan, including which Subsidiaries and Affiliates will be Designated Companies; (vi) amend an outstanding right to purchase shares of Common Stock, including any amendments to a right that may be necessary for purposes of effecting a transaction contemplated under Section 16 or Section 17 (including, but not limited to, an amendment to the class or type of stock that may be issued pursuant to the exercise of a right or the Option Price applicable to a right), provided that the amended right otherwise conforms to the terms of the Plan; and (vii) otherwise supervise and take any other actions necessary or desirable for the administration of the Plan. All interpretations and decisions of the Administrator shall be binding on all persons, including the Company and the Participants. Subject to applicable laws and regulations, the Board or the Committee may delegate administrative authority hereunder to an officer of the Company or to such other individual or group as the Board or Committee may determine in its discretion. No member of the Board or individual exercising administrative authority with respect to the Plan shall be liable for any action or determination made in good faith with respect to the Plan or any Option granted hereunder.

2. Offerings. The Company will make one or more Offerings to Eligible Employees to purchase Common Stock under the Plan. The Administrator shall, in its discretion, designate the period of any Offering, provided that no Offering shall exceed 27 months in duration. Unless the Administrator otherwise determines, each Offering shall be for a Purchase Period of six months, beginning on the Offering Date and ending on the Exercise Date.

Subject to applicable law, the Administrator, or its delegate, retains the discretion to impose trading restrictions or holding requirements on Common Stock purchased with respect to a particular Offering. If the Administrator elects to impose such restrictions or requirements, the restrictions or requirements will be described in the enrollment materials for the applicable Offering.

3. Eligibility. All individuals classified as employees on the payroll records of the Company and each Designated Company are eligible to participate in any one or more of the Offerings under the Plan, except for any employees who do not meet any other eligibility requirements that the Administrator may choose to impose (within the limits permitted by the Code) (such eligible individuals, "*Eligible Employees*"). Notwithstanding any other provision herein, individuals who are not classified as employees of the Company or a Designated Company for purposes of the Company's or applicable Designated Company's payroll system on the Offering Date are not considered to be "Eligible Employees" of the Company or any Designated Company and shall not be eligible to participate in the Plan with respect to such Offering. In the event any such individuals are reclassified as employees of the Company or a Designated Company for any purpose, including, without limitation, common law or statutory employees, by any action of any third party, including, without limitation, any government agency, or as a result of any private lawsuit, action or administrative proceeding, such individuals shall, notwithstanding such reclassification, remain ineligible for participation. Notwithstanding the foregoing, the exclusive means for individuals who are not classified as of an Offering Date as employees of the Company or a Designated Company on the Company's or Designated Company's payroll system to become eligible to participate in an Offering under this Plan is through an amendment to this Plan, duly executed by the Company, which specifically renders such individuals eligible to participate herein.

For purposes of the Plan, in accordance with Treas. Reg. § 1.421-1(h)(2), the employment relationship shall be treated as continuing intact while the individual is on military leave, sick leave or other leave of absence approved by the Company or a Designated Company that does not exceed three months and during any period longer than three months if the individual's right to reemployment is guaranteed by statute or contract.

The Company retains the discretion to determine which Eligible Employees may participate pursuant to and consistent with Treasury Regulation §§ 1.423-2(e) and (f).

An Eligible Employee who works for a Designated Company and is a citizen or resident of a jurisdiction other than the United States (without regard to whether such individual also is a citizen or resident of the United States or is a resident alien (within the meaning of Section 7701(b)(1)(A) of the Code)) may be excluded from participation in the Plan or an Offering if the participation of such Eligible Employee is prohibited under the laws of the applicable jurisdiction or if complying with the laws of the applicable jurisdiction would cause an offering under the Section 423 portion of the Plan to violate Section 423 of the Code.

4. Participation.

(a) Participants on Effective Date. An Eligible Employee may elect to participate in the Plan by properly completing and submitting an Enrollment Form (in the manner described in Section 4(b)) at least 15 business days before the Offering Date (or by such other deadline as shall be established by the Administrator for the Offering) and in accordance with enrollment procedures established by the Administrator. Participation in the Plan is entirely voluntary.

(b) Enrollment. The Enrollment Form shall (i) state the deduction to be made from from an Eligible Employee's Compensation during an Offering pursuant to Section 5, (ii) authorize the purchase of Common Stock in each Offering in accordance with the terms of the Plan and (iii) specify the exact name or names in which shares of Common Stock purchased for such individual are to be issued pursuant to Section 10. An employee who does not enroll in an Offering in accordance with these procedures shall be deemed to have waived participation in such Offering.

(c) Automatic Re-enrollment. The deduction rate selected in the Enrollment Form shall remain in effect for subsequent Offerings unless the Participant (i) submits a new Enrollment Form authorizing a new level of payroll deductions in accordance with Section 6, (ii) withdraws from the Plan in accordance with Section 7, or (iii) terminates employment or otherwise becomes ineligible to participate in the Plan.

(d) Electronic Submission of Enrollment Form. The Administrator may specify that Enrollment Forms to be submitted to the Company pursuant to this Section 4 or Section 7 below are to be submitted electronically via the Company's intranet or the Internet site of a third party or via email or any other means of electronic delivery specified by the Administrator.

(e) Notwithstanding the foregoing, participation in the Plan shall neither be permitted nor denied contrary to the requirements of the Code.

5. Employee Contributions. Each Eligible Employee may, by submitting an Enrollment Form as described in Section 4(b), authorize payroll deductions, in whole percentages, at a minimum of 1% up to a maximum of 15% of such employee's Compensation, to be deducted on a pro rata basis for each pay period during an Offering, provided that, to the extent permitted by Administrator for an Offering, an Eligible Employee may authorize a payroll deduction expressed as a flat dollar amount, subject to such terms, conditions and limits as may be established by the Administrator for such Offering. Payroll deductions shall commence on the first payroll date following the Offering Date and end on the last payroll date on or before the last day of the Offering. Payroll deductions shall be made in accordance with the Eligible Employee's election; however, due to rounding or other administrative reasons, the actual percentage contributed may be less than the elected percentage. The Company shall maintain notional book accounts showing the amount of payroll deductions made by each Participant for each Purchase Period, but the Company will not hold payroll deductions in a trust or in any segregated account, unless otherwise determined by the Administrator or required by applicable law. No interest shall accrue or be paid on payroll deductions, except as may be required by applicable law. If payroll deductions for purposes of the Plan are prohibited or otherwise problematic under applicable law (as determined by the Administrator in its discretion), the Administrator may require Participants to contribute to the Plan by such other means as determined by the Administrator. Any reference to "payroll deductions" in this Section 5 (or in any other section of the Plan) shall similarly cover contributions by other means made pursuant to this Section 5.

6. Deduction Changes. Except as may be determined by the Administrator in advance of an Offering, a Participant may not increase or decrease his or her payroll deduction during any Offering, but may increase or decrease his or her payroll deduction with respect to the next Offering (subject to the limitations of Section 5) by filing a new Enrollment Form at least 15 business days before the next Offering Date (or by such other deadline as shall be established by the Administrator for the Offering). The Administrator may, in advance of any Offering, establish rules permitting a Participant to increase, decrease or terminate his or her payroll deduction during an Offering.

7. Withdrawal. A Participant may withdraw from participation in the Plan by submitting to the Company a revised Enrollment Form indicating his or her election to withdraw (in accordance with such procedures as may be established by the Administrator). The Participant's withdrawal shall be effective as of the next business day. Following a Participant's withdrawal, the Company shall promptly refund such individual's entire account balance under the Plan to him or her (after payment for any Common Stock purchased before the effective date of withdrawal). Partial withdrawals are not permitted. Such an employee may not begin participation again during the remainder of the Offering, but may enroll in a subsequent Offering in accordance with Section 4.

8. Grant of Options. On each Offering Date, the Company shall grant to each Participant in the Plan an option ("*Option*") to purchase, on the Exercise Date and at the Option Price hereinafter provided for, the lowest of (a) a number of shares of Common Stock determined by dividing such Participant's accumulated payroll deductions on such Exercise Date by the Option Price (as defined herein); (b) 5,000 shares of Common Stock; or (c) such other lesser maximum number of shares as shall have been established by the Administrator in advance of the Offering (in each case subject to adjustment pursuant to Section 16 or Section 17); provided, however, that such Option shall be subject to the limitations set forth below. Each Participant's Option shall be exercisable only to the extent of such Participant's accumulated payroll deductions on the Exercise Date. The purchase price for each share purchased under each Option (the "*Option Price*") shall be 85% of the Fair Market Value of the Common Stock on the Offering Date or the Exercise Date, whichever is less.

Notwithstanding the foregoing, no Participant may be granted an Option hereunder if such Participant, immediately after the Option was granted, would be treated as owning stock possessing 5% or more of the total combined voting power or value of all classes of stock of the Company or any Parent or Subsidiary. For purposes of the preceding sentence, the attribution rules of Section 424(d) of the Code shall apply in determining the stock ownership of a Participant, and all stock which the Participant has a contractual right to purchase shall be treated as stock owned by the Participant. In addition, no Participant may be granted an Option which permits the Participant's rights to purchase stock under the Plan, and any other employee stock purchase plan (described in Section 423 of the Code) of the Company and its Parents and Subsidiaries, to accrue at a rate which exceeds $25,000 of the fair market value of such stock (determined on the option grant date or dates) for each calendar year in which the Option is outstanding at any time. The purpose of the limitation in the preceding sentence is to comply with Section 423(b)(8) of the Code and shall be applied taking Options into account in the order in which they were granted.

9. Exercise of Option and Purchase of Shares. Each employee who continues to be a Participant in the Plan on the Exercise Date shall be deemed to have exercised his or her Option on such date and shall acquire from the Company such number of whole shares of Common Stock reserved for the purpose of the Plan as the Participant's accumulated payroll deductions on such date shall purchase at the Option Price, subject to any other limitations contained in the Plan. Unless otherwise determined by the Administrator in advance of an Offering, any amount remaining in a Participant's account after the purchase of shares on an Exercise Date of an Offering solely by reason of the inability to purchase a fractional share shall be carried forward to the next Offering; any other balance remaining in a Participant's account at the end of an Offering shall be refunded to the Participant promptly.

10. Issuance of Certificates. Certificates representing shares of Common Stock purchased under the Plan may be issued only in the name of the employee, in the name of the employee and another person of legal age as joint tenants with rights of survivorship, or in the name of a broker authorized by the employee to be his, her or their, nominee for such purpose. Participants will not have any voting, dividend, or other rights of a shareholder with respect to the shares of Common Stock until such shares have been delivered pursuant to this Section 10.

All transactions under this Plan are subject to the Company's insider trading policy as may be in effect from time to time. This includes any blackout period prohibition or requirement to obtain mandatory pre-clearance of transactions such as enrollment, withdrawal, or trading. If the standard enrollment period is scheduled to occur during a blackout period, arrangements will be made to allow for restricted insiders to update their elections during the preceding open trading window.

11. Rights on Termination or Transfer of Employment. If a Participant's employment terminates for any reason, or if the Participant's employment status changes such that the Participant is no longer an Eligible Employee, before the Exercise Date for any Purchase Period, no payroll deduction shall be taken from any pay due and owing to the Participant and the balance in the Participant's notional account shall be paid, as if such Participant had withdrawn from the Plan under Section 7, to such Participant or, in the case of such Participant's death, to (i) the legal representative of the Participant's estate; or (ii) if no such legal representative has been appointed to the knowledge of the Company, to such other person(s) as the Company may, in its discretion, designate. An employee shall be deemed to have terminated employment, for this purpose, if the corporation that employs him or her, having been a Designated Company, ceases to be a Subsidiary or Affiliate, or if the employee is transferred to any corporation other than the Company or a Designated Company. Unless otherwise determined by the Administrator, a Participant whose employment transfers between, or whose employment terminates with an immediate rehire (with no break in service) by, Designated Companies or a Designated Company and the Company shall not be treated as having terminated employment for purposes of participating in the Plan or an Offering.

12. Special Rules and Sub-Plans. Notwithstanding anything herein to the contrary, the Administrator may adopt special rules or sub-plans applicable to the employees of a particular Designated Company, whenever the Administrator determines that such rules are necessary or appropriate for the implementation of the Plan in a jurisdiction where such Designated Company has employees, regarding, without limitation, eligibility to participate in the Plan, handling and making of payroll deductions or contribution by other means, establishment of bank or trust accounts to hold payroll deductions, payment of interest, conversion of local currency, obligations to pay payroll tax, withholding procedures and handling of share issuances, any of which may vary according to applicable requirements. Unless otherwise specifically provided, to the extent there is a conflict between the provisions of a sub-plan and the terms of the main portion of the Plan, the terms of the sub-plan shall govern with respect to the individuals who participate in such sub-plan.

13. Optionees Not Shareholders. Neither the granting of an Option to a Participant nor the deductions from a Participant's pay shall result in such Participant becoming a holder of the shares of Common Stock covered by an Option under the Plan until such shares have been purchased by and issued to such Participant.

14. Rights Not Transferable. Rights under the Plan are not transferable by a Participant other than by will or the laws of descent and distribution, and are exercisable during the Participant's lifetime only by the Participant.

15. Application of Funds. All funds received or held by the Company under the Plan may be combined with other corporate funds and may be used for any corporate purpose, unless otherwise required under applicable law.

16. Adjustment in Case of Changes Affecting Common Stock. In the event of any stock split, reverse stock split, stock dividend, recapitalization, combination or exchange of shares, reclassification of shares, spin-off, or other similar change in capitalization or event, or any dividend or distribution to holders of Common Stock other than an ordinary cash dividend, or any other change affecting the Common Stock, (i) the number and class of shares approved for the Plan, (ii) the Option Price, and (iii) the share limitation set forth in Section 8 shall be equitably or proportionately adjusted to the extent determined by the Administrator to give proper effect to such event, in accordance with applicable law.

17. Reorganization Events. In connection with a Reorganization Event, the Administrator shall take any one or more of the following actions as to outstanding Options on such terms as the Administrator determines:

(a) provide that Options shall be assumed, or substantially equivalent Options shall be substituted, by the acquiring or succeeding corporation (or an affiliate thereof);

(b) upon written notice to Participants, provide that all outstanding Options will be terminated as of the effective date of the Reorganization Event and that all such outstanding Options will become exercisable to the extent of accumulated payroll deductions as of a date specified by the Administrator in such notice, which date shall not be less than ten (10) days preceding the effective date of the Reorganization Event;

(c) upon written notice to Participants, provide that all outstanding Options will be cancelled as of a date prior to the effective date of the Reorganization Event and that all accumulated payroll deductions will be returned to the Participant on such date;

(d) in the event of a Reorganization Event under the terms of which holders of common stock will receive, upon consummation thereof, a cash payment for each share surrendered in the Reorganization Event, make or provide for a cash payment to a Participant equal to (1) the Acquisition Price times the number of shares of Common Stock subject to the Participant's Option (to the extent the Option Price does not exceed the Acquisition Price) minus (2) the aggregate Option Price of such Option, in exchange for the termination of such Option;

(e) provide that, in connection with a liquidation or dissolution of the Company, Options shall convert into the right to receive liquidation proceeds (net of the Option Price thereof); or

(f) any combination of the foregoing.

For purposes of clause (a) above, an Option shall be considered assumed if, following consummation of the Reorganization Event, the Option confers the right to purchase, for each share of Common Stock subject to the Option immediately prior to the consummation of the Reorganization Event, the consideration (whether cash, securities, or other property) received as a result of the Reorganization Event by holders of Common Stock for each share of Common Stock held immediately prior to the consummation of the Reorganization Event (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares of Common Stock); provided, however, that if the consideration received as a result of the Reorganization Event is not solely common stock of the acquiring or succeeding corporation (or an affiliate thereof), the Company may, with the consent of the acquiring or succeeding corporation, provide for the consideration to be received upon the exercise of Options to consist solely of common stock of the acquiring or succeeding corporation (or an affiliate thereof) equivalent in value (as determined by the Administrator) to the per share consideration received by holders of outstanding shares of Common Stock as a result of the Reorganization Event.

In addition, any action taken under this Section 17 shall be consistent with the intent that Options comply with Section 423 of the Code, unless otherwise expressly determined by the Administrator. The Plan shall in no event be construed to restrict in any way the Company's right to undertake a dissolution, liquidation, merger, consolidation or other Reorganization Event.

18. Amendment of the Plan. The Administrator may at any time and from time to time amend the Plan in any respect, except that, without the approval within 12 months of such Administrator action by the shareholders of the Company, no amendment shall be made increasing the number of shares approved for the Plan or making any other change that would require shareholder approval under the requirements of any stock exchange upon which the shares may then be listed or in order for the Plan, as amended, to qualify as an "employee stock purchase plan" under Section 423(b) of the Code. In no event may any amendment be made which would cause the Plan to fail to comply with Section 423 of the Code.

19. Suspension of the Plan. The Administrator may, at any time, suspend the Plan; provided that the Company shall provide notice to the Participants prior to the effectiveness of such suspension. The Administrator may resume the operation of the Plan following any such suspension; provided that the Company shall provide notice to the Participants prior to the date of termination of the suspension period. A Participant shall remain a Participant in the Plan during any suspension period (unless the Participant withdraws pursuant to Section 7). However, no Options shall be granted or exercised, and no payroll deductions shall be made in respect of any Participant, during the suspension period.

20. Insufficient Shares. If the total number of shares of Common Stock that would otherwise be purchased on any Exercise Date plus the number of shares purchased under previous Offerings under the Plan exceeds the maximum number of shares issuable under the Plan, the shares then available shall be apportioned in a manner consistent with the requirements of Section 423(b)(4) and (5) of the Code and the regulations thereunder among Participants in proportion to the amount of payroll deductions accumulated on behalf of each Participant that would otherwise be used to purchase Common Stock on such Exercise Date.

21. Effective Date and Shareholder Approval. The Plan shall become effective on and contingent upon the Closing (the "*Effective Date*"). For purposes of Treas. Reg. § 1.423-2(c)(2), the Plan shall be considered "adopted" at Closing. In accordance with Treas. Reg. § 1.423-2(a)(2)(ii), the Company shall seek shareholder approval of the Plan within 12 months before or after the date the Plan is adopted. If shareholder approval is not received within 12 months before or after the Plan is adopted, the Plan shall be terminated and any amounts contributed by employees to the Plan shall be returned to the employees without interest (unless otherwise required pursuant to applicable law).

22. Termination of the Plan. Except as otherwise provided in Section 21, the Plan may be terminated at any time by the Administrator. Upon termination of the Plan, all amounts in the accounts of Participants shall be promptly refunded. The Plan shall automatically terminate on the ten-year anniversary of the date the Plan is approved by the Company's shareholders.

23. Governmental Regulations. The Company's obligation to sell and deliver Common Stock under the Plan is subject to the completion of any registration or qualification of the Common Stock under any U.S. or non-U.S. local, state or federal securities or exchange control law, or under rulings or regulations of the SEC or of any other governmental regulatory body, and to obtaining any approval or other clearance from any U.S. and non-U.S. local, state or federal governmental agency, which registration, qualification or approval the Company may, in its absolute discretion, deem necessary or advisable. The Company is under no obligation to register or qualify the Common Stock with the SEC or any other U.S. or non-U.S. securities commission or to seek approval or clearance from any governmental authority for the issuance or sale of such stock. If, pursuant to this Section 23, the Administrator determines that the shares of Common Stock will not be issued to any Participant, all accumulated payroll deductions will be promptly refunded, without interest (unless otherwise required pursuant to applicable law), to the Participant, without any liability to the Company or any of its Affiliates.

24. Governing Law. This Plan and all Options and actions taken thereunder shall be governed by, and construed in accordance with, the laws of the State of Delaware, applied without regard to conflict of law principles.

25. Issuance of Shares. Shares may be issued upon exercise of an Option from authorized but unissued Common Stock, from shares held in the treasury of the Company, or from any other proper source.

26. Tax Withholding. Participation in the Plan is subject to any applicable U.S. and non-U.S. federal, state or local tax withholding requirements on income the Participant realizes in connection with the Plan. Each Participant agrees, by entering the Plan, that the Company or any Subsidiary or Affiliate may, but shall not be obligated to, withhold from a Participant's wages, salary or other compensation at any time the amount necessary for the Company or any Subsidiary or Affiliate to meet applicable withholding obligations, including any withholding required to make available to the Company or any Subsidiary or Affiliate any tax deductions or benefits attributable to the sale or disposition of Common Stock by such Participant. In addition, the Company or any Subsidiary or Affiliate may, but shall not be obligated to, withhold from the proceeds of the sale of Common Stock or any other method of withholding that the Company or any Subsidiary or Affiliate deems appropriate to the extent permitted by U.S. Treasury Regulation Section 1.423-2(f). The Company shall not be required to issue any Common Stock under the Plan until such obligations are satisfied.

27. Code Section 409A. The Plan is exempt from the application of Section 409A of the Code and any ambiguities herein shall be interpreted to so be exempt from Section 409A of the Code. Notwithstanding any provision in the Plan to the contrary, if the Administrator determines that an Option granted under the Plan may be subject to Section 409A of the Code or that any provision in the Plan would cause an Option under the Plan to be subject to Section 409A of the Code, the Administrator may amend the terms of the Plan and/or of an outstanding Option granted under the Plan, or take such other action the Administrator determines is necessary or appropriate, in each case, without the Participant's consent, to exempt any outstanding Option or future Option that may be granted under the Plan from or to allow any such Options to comply with Section 409A of the Code, but only to the extent any such amendments or action by the Administrator would not violate Section 409A of the Code. Notwithstanding the foregoing, the Company shall have no liability to a Participant or any other party if the Option to purchase Common Stock under the Plan that is intended to be exempt from or compliant with Section 409A of the Code is not so exempt or compliant or for any action taken by the Administrator with respect thereto. The Company makes no representation that the Option to purchase Common Stock under the Plan is compliant with Section 409A of the Code.

28. Notification Upon Sale of Shares. Each Participant agrees, by entering the Plan, to give the Company prompt notice of any disposition of shares purchased under the Plan where such disposition occurs within two years after the date of grant of the Option pursuant to which such shares were purchased or within one year after the date such shares were purchased.

29. Equal Rights and Privileges. Notwithstanding any provision of the Plan to the contrary and in accordance with Section 423 of the Code, all Eligible Employees participating in the Plan shall have the same rights and privileges.

30. General.

(a) No Right to Options; No Shareholder Rights; No Right to Employment. No person shall have any right to be granted any Option under the Plan. No person shall have any rights as a shareholder with respect to any Common Stock to be issued under the Plan prior to the issuance thereof. The grant of an Option shall not be construed as giving any person the right to be retained in the employ of the Company or any Subsidiary or Affiliate. Further, the Company and each Subsidiary and Affiliate expressly reserves the right at any time to dismiss an employee free from any liability or any claim under the Plan, except as expressly provided herein.

(b) Successors and Assigns. The Plan shall be binding on the Company and its successors and assigns.

(c) Entire Plan. This Plan constitutes the entire plan with respect to the subject matter hereof and supersedes all prior plans with respect to the subject matter hereof.

(d) Compliance with Applicable Law. The obligations of the Company with respect to payments under the Plan are subject to compliance with all applicable laws and regulations. Common Stock shall not be issued with respect to a right to purchase unless the issuance and delivery of the shares of Common Stock pursuant thereto shall comply with all applicable provisions of law, including, without limitation, the Securities Act of 1933 and the Securities Exchange Act of 1934 (each as amended) and the requirements of any stock exchange upon which the shares may then be listed.

(e) Severability of Provisions. If any provision of the Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, and the Plan shall be construed and enforced as if such provision had not been included.

(f) Incapacity. Any benefit payable to or for the benefit of a minor, an incompetent person, or other person incapable of accepting receipt shall be deemed paid when paid to such person’s guardian or to the party providing or reasonably appearing to provide for the care of such person, and such payment shall fully discharge any liability or obligation of the Board, the Administrator, the Company and any Designated Company, and all other parties with respect thereto.

(g) Headings and Captions; Rules of Construction. The headings and captions herein are provided for reference and convenience only, shall not be considered part of the Plan, and shall not be employed in the construction of the Plan. Whenever used in the Plan, words in the masculine gender shall be deemed to refer to females as well as to males; words in the singular shall be deemed to refer also to the plural; and references to a statute or statutory provision shall be construed as if they referred also to that provision (or to a successor provision of similar import) as currently in effect, as amended, or as reenacted, and to any regulations and other formal guidance of general applicability issued thereunder. Except where otherwise indicated, references to Sections are references to sections of this Plan.

(h) Unfunded Status of Plan. The Plan is unfunded and shall not create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between any Participant (or beneficiary thereof), on the one hand, and the Company, any Designated Company, the Board, the Administrator, or any other person, on the other hand.

31. Definitions.

(a) "*Acquisition Price*" means the cash payment for each share surrendered in a Reorganization Event.

(b) "*Administrator*" means the Board or the Committee (or a delegate appointed in accordance with Section 1).

(c) "*Affiliate*" means any entity that, directly or indirectly through one or more intermediaries, controls, is controlled by or is under the common control with, the Company.

(d) "*Board*" means the Board of Directors of the Company.

(e) "*Closing*" means the closing of the Transaction.

(f) "*Code*" means the Internal Revenue Code of 1986, as amended from time to time, or any successor thereto.

(g) "*Committee*" means the Compensation Committee of the Board (or any other committee or subcommittee of the Board which the Board may appoint to administer the Plan). Subject to the discretion of the Board, the Committee shall be composed entirely of individuals who meet the qualifications of (i) a "non-employee director" within the meaning of Rule 16b-3 and (ii) any other qualifications required by the applicable exchange on which the Common Stock is traded. If at any time or to any extent the Board shall not administer the Plan, then the functions of the Administrator specified in the Plan shall be exercised by the Committee (except as such functions may be delegated pursuant to Section 1).

(h) "*Common Stock*" means the Class A common stock of the Company.

(i) "*Company*" means Humacyte, Inc., a Delaware corporation (or any successor company).

(j) "*Compensation*" means the amount of base pay, prior to salary reduction (such as pursuant to Sections 125, 132(f) or 401(k) of the Code), but excluding overtime, commissions, incentive or bonus awards, allowances and reimbursements for expenses such as relocation allowances or travel expenses, income or gains related to Company stock options or other share-based awards, and similar items. The Administrator shall have the discretion to determine the application of this definition to Participants outside the United States.

(k) "*Designated Company*" means any present or future Subsidiary or Affiliate that has been designated by the Administrator to participate in the Plan to the extent consistent with Section 423 of the Code. The Administrator may so designate any Subsidiary or Affiliate, or revoke any such designation, at any time and from time to time, either before or after the Plan is approved by the shareholders. The Administrator may also determine which Subsidiaries, Affiliates or Eligible Employees may be excluded from participation in the Plan, to the extent consistent with Section 423 of the Code.

(l) "*Effective Date*" has the meaning set forth in Section 21.

(m) "*Eligible Employee*" has the meaning set forth in Section 3.

(n) "*Enrollment Form*" means an agreement, which may be electronic, pursuant to which an Eligible Employee may elect to enroll in the Plan, to authorize a new level of payroll deductions, or to stop payroll deductions and withdraw from an Offering.

(o) "*Exchange Act*" means the Securities Exchange Act of 1934, as amended.

(p) "*Exercise Date*" means the last day of a Purchase Period.

(q) "*Fair Market Value of the Common Stock*" on any given date means the fair market value of the Common Stock determined in good faith by the Administrator; provided, however, that if the Common Stock is admitted to quotation on the National Association of Securities Dealers Automated Quotation System ("NASDAQ"), NASDAQ Global Market, the New York Stock Exchange or another national securities exchange, the determination shall be made by reference to the closing price on such date. If there is no closing price for such date, the determination shall be made by reference to the last date preceding such date for which there is a closing price.

(r) "*Incumbent Board*" has the meaning set forth in Section 31(aa).

(s) "*Offering*" means an offering to Eligible Employees to purchase Common Stock under the Plan. Unless otherwise determined by the Administrator, each Offering under the Plan in which Eligible Employees of one or more Designated Companies may participate may be deemed a separate offering for purposes of Section 423 of the Code, even if the dates of the applicable Offering are identical, and the provisions of the Plan will separately apply to each Offering. The terms of separate Offerings need not be identical provided that all Eligible Employees granted an Option in a particular Offering will have the same rights and privileges, except as otherwise may be permitted by Code Section 423 (or as otherwise provided under the terms of any applicable sub-plan).

(t) "*Offering Date*" means the first day of an Offering.

(u) "*Option*" has the meaning set forth in Section 8.

(v) "*Option Price*" has the meaning set forth in Section 8.

(w) "*Parent*" means a "parent corporation" with respect to the Company, as defined in Section 424(e) of the Code.

(x) "*Participant*" means an individual who is eligible as determined in Section 3 and who has complied with the provisions of Section 4.

(y) "*Plan*" means the Humacyte, Inc. 2021 Employee Stock Purchase Plan.

(z) "*Purchase Period*" means the period of time specified within an Offering beginning on the Offering Date ending on the Exercise Date.

(aa) "*Reorganization Event*" means: (i) any "person" or related "group of persons" (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act), other than any person who currently owns more than a majority of the Company's Common Stock, acquiring beneficial ownership (within the meaning of Rule 13d-3 and 13d-5 promulgated under the Exchange Act) of more than 50% of the combined voting power of the then outstanding voting securities of the Company; (ii) a consolidation, merger or similar transaction involving the Company, unless the stockholders of the Company immediately before such consolidation, merger or other transaction own, directly or indirectly, a majority of the combined voting power of the outstanding voting securities of the corporation or other entity resulting from such consolidation or merger; (iii) individuals who are members of the Board on the date the Plan is approved by the Board (the "*Incumbent Board*") ceasing for any reason to constitute at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member shall, for purposes of the Plan, be considered as a member of the Incumbent Board; (iv) the sale, lease, exclusive license or other disposition of all or substantially all, as determined by the Board, of the consolidated assets of the Company, other than to an entity of which the stockholders of the Company immediately before such sale, lease, exclusive license or other disposition own, directly or indirectly, a majority of the combined voting power of the outstanding voting securities in substantially the same proportions as their ownership of the outstanding voting securities of the Company immediately prior to such sale, lease, license or other disposition; or (v) the liquidation, dissolution or winding up of the Company. For the avoidance of doubt, a transaction will not constitute a Corporate Reorganization Event if: (i) its sole purpose is to change the jurisdiction of the Company's incorporation, or (ii) its sole purpose is to create a holding company that will be owned in substantially the same proportions by the persons who held the Company's securities immediately before such transaction. For the avoidance of doubt, the consummation of the Transaction shall not be a Reorganization Event for purposes of the Plan.

(bb) "*SEC*" means the United States Securities and Exchange Commission.

(cc) "*Subsidiary*" means a "subsidiary corporation" with respect to the Company, as defined in Section 424(f) of the Code.

(dd) "*Transaction*" means the transaction contemplated by the Business Combination Agreement, dated as of February 17, 2021, by and among Alpha Healthcare Acquisition Corp., a Delaware corporation, Hunter Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of AHAC, and Humacyte, Inc., a Delaware corporation.

Exhibit 10.8

HUMACYTE, INC.
ANNUAL BONUS PLAN

1. Purposes of the Plan. The purposes of the Plan are to attract and retain the best available personnel, to provide additional incentives to employees, and to promote the success of the business of Humacyte, Inc.

2. Definitions.

(a) "Actual Award" means the actual bonus payout (if any) made to a Participant for the applicable Performance Period, subject to the Committee's authority under Section 3(c) to modify the amount of the payout.

(b) "Affiliate" means any corporation or other entity (including, but not limited to, partnerships and joint ventures) controlled by the Company.

(c) "Board" means the Board of Directors of the Company.

(d) "Code" means the Internal Revenue Code of 1986, as amended. Reference to a specific section of the Code or regulation thereunder will include such section, any valid regulation promulgated thereunder, and any comparable provision of any future legislation or regulation amending, supplementing or superseding such section or regulation.

(e) "Committee" means the committee appointed by the Board (pursuant to Section 5) to administer the Plan. Unless and until the Board otherwise determines, the Board's Compensation Committee will administer the Plan.

(f) "Company" means Humacyte, Inc., a Delaware corporation, or any successor entity.

(g) "Effective Date" means the date of the closing of the Transaction.

(h) "Employee" means any full-time employee of the Company or of an Affiliate.

(i) "Participant" means as to any Performance Period, an Employee who has been selected by the Committee for participation in the Plan for that Performance Period.

(j) "Performance Period" means the period of time for the measurement of the performance criteria applicable to a Target Award, as determined by the Committee in its sole discretion.

(k) "Plan" means this Humacyte, Inc. Annual Bonus Plan, as such may be amended or restated from time to time.

(l) "Target Award" means the target award, at 100% of target level performance achievement, payable under the Plan to a Participant for the Performance Period, as determined by the Committee in accordance with Section 3(b).

(m) "Transaction" means the transaction contemplated by the Business Combination Agreement, dated as of February 17, 2021, by and among Alpha Healthcare Acquisition Corp., a Delaware corporation ("AHAC"), Hunter Merger Sub, Inc., a Delaware corporation and wholly owned subsidiary of AHAC, and Humacyte, Inc., a Delaware corporation.

3. Selection of Participants and Determination of Awards.

(a) Selection of Participants. The Committee, in its sole discretion, will select the Employees who will be Participants for any Performance Period. Participation in the Plan is in the sole discretion of the Committee, on a Performance Period by Performance Period basis. Accordingly, an Employee who is a Participant for a given Performance Period in no way is guaranteed or assured of being selected for participation in any subsequent Performance Period or Performance Periods.

(b) Determination of Target Awards. The Committee, in its sole discretion, may establish a Target Award for each Participant (which may be expressed as a percentage of a Participant's base salary for the Performance Period or a fixed dollar amount or such other amount or based on such other formula as the Committee determines). The grant of a Target Award to a Participant does not guarantee any payment to Participant under the Plan, and shall not be construed as such.

(c) Determination of Actual Award; Discretion to Modify Awards. The Committee shall have the sole discretion to determine the extent to which the performance criteria applicable to a Target Award has been satisfied and the amount of the Actual Award payable to the Participant (if any) based on the satisfaction of such performance criteria. Notwithstanding any contrary provision of the Plan, the Committee may, in its sole discretion and at any time, increase, reduce or eliminate a Participant's Actual Award. The Actual Award may be below, at or above the Target Award, in the Committee's discretion. The Committee may determine the amount of any increase, reduction or elimination on the basis of such factors as it deems relevant, and will not be required to establish any allocation or weighting with respect to the factors it considers.

(d) Discretion to Determine Performance Criteria. Notwithstanding any contrary provision of the Plan, the Committee, in its sole discretion, will determine the performance goals (if any) applicable to any Target Award (or portion thereof). The goals may be on the basis of any factors the Committee determines relevant, and may be on an individual, divisional, business unit, segment or Company-wide basis. Any performance criteria used may be measured on such basis as the Committee determines. The performance goals may differ from Participant to Participant and from award to award. The Committee also may determine that a Target Award (or portion thereof) will not have a performance goal associated with it but instead will be granted (if at all) in the sole discretion of the Committee.

4. Payment of Awards.

(a) Right to Receive Payment. Each Actual Award will be paid solely from the general assets of the Company. Nothing in the Plan will be construed to create a trust or to establish or evidence any Participant's claim of any right other than as an unsecured general creditor with respect to any payment to which he or she may be entitled.

(b) Timing of Payment. Payment of each Actual Award shall be made as soon as practicable after the end of the Performance Period to which the Actual Award relates and after the Actual Award is approved by the Committee, but in no event later than March 15 of the calendar year immediately following the calendar year in which the Performance Period ends. Unless otherwise determined by the Committee, to earn an Actual Award a Participant must be employed by the Company or any Affiliate on the date the Actual Award is paid. For purposes of the Plan, transfer of employment of a Participant between the Company and any one of its Affiliates (or between Affiliates) will not be deemed a termination of employment.

(c) Form of Payment. Each Actual Award will be paid in cash (or its equivalent) in a single lump sum.

5. Plan Administration.

(a) Committee is the Administrator. The Plan will be administered by the Committee. The Committee will consist of not less than two members of the Board. The members of the Committee will be appointed from time to time by, and serve at the pleasure of, the Board.

(b) Committee Authority. Subject to the terms of the Plan, the Committee shall have authority to take any and all actions that it determines to be necessary or advisable in connection with the administration of the Plan, including but not limited to the power to (i) determine which Employees will be granted awards, (ii) prescribe the terms and conditions of awards, (iii) interpret the Plan and any awards granted thereunder, (iv) adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by Employees who are foreign nationals or employed outside of the United States, (v) adopt rules for the administration, interpretation and application of the Plan as are consistent therewith, (vi) interpret, amend or revoke any such rules, (vii) determine all facts necessary to administer the Plan and any award granted thereunder, (viii) make and approve corrections in the documentation or administration of any award, (ix) determine the extent to which the performance criteria have been met and (x) determine the extent to which an award will be modified, if at all, in accordance with Section 3(c).

(c) Decisions Binding. All determinations and decisions made by the Committee, the Board, and/or any delegate of the Committee pursuant to the provisions of the Plan will be final, conclusive, and binding on all persons, and will be given the maximum deference permitted by law.

(d) Delegation by Committee. The Committee, in its sole discretion and on such terms and conditions as it may provide, but subject to any limitations under applicable law or the rules of any stock exchange on which the Company's shares are listed, may delegate all or part of its authority and powers under the Plan to one or more directors and/or officers of the Company; *provided* that any such officer shall not be authorized to grant an award under the Plan to himself or herself.

(e) Indemnification. In addition to such other rights of indemnification as they may have, members of the Board and any Committee (and any individuals to whom authority is delegated pursuant to Section 5(d)) shall be defended and indemnified by the Company to the extent permitted by law against all reasonable expenses, including attorneys' fees, actually and necessarily incurred in connection with the defense of any claim, investigation, action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan, or any award granted hereunder, and against all amounts paid by them in settlement thereof (*provided* such settlement is approved by the Company) or paid by them in satisfaction of a judgment in any such claim, investigation, action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such claim, investigation, action, suit or proceeding that such person is liable for gross negligence, bad faith or intentional misconduct. Upon the institution of any such action, suit, or proceeding, any such indemnified person against whom a claim is made shall notify the Company in writing and give the Company the opportunity, within thirty (30) days after such notice and at its own expense, to handle and defend the same before such indemnified person undertakes to handle it on his or her own behalf.

6. Amendment, Termination, and Duration.

(a) Amendment, Suspension, or Termination of Plan. The Board, in its sole discretion, may amend, suspend or terminate the Plan, or any part thereof, at any time and for any reason. The amendment, suspension or termination of the Plan will not, without the consent of the Participant, materially and adversely affect such Participant's rights under any Actual Award theretofore earned and paid. No award may be granted during any period of suspension or after termination of the Plan.

(b) Amendment of Awards. The Board or the Committee, in its sole discretion and without the Participant's consent, may amend or terminate any Target Award granted under the Plan at any time and for any reason.

(c) Duration of Plan. The Plan will commence on the Effective Date and will remain in effect thereafter until terminated by the Board.

7. General Provisions.

(a) Governing Law. The validity and construction of the Plan and all awards thereunder shall be governed by the laws of the State of Delaware, excluding any conflicts or choice of law rules or principles that might otherwise refer construction or interpretation of any provision of the Plan or an award to the substantive law of another jurisdiction.

(b) Tax Withholding. The Company (or the Affiliate employing the applicable Employee) will withhold all applicable taxes from any Actual Award, including any federal, state, local or foreign income and employment taxes.

(c) Section 409A. The Plan is intended to be exempt from the requirements of Section 409A of the Code ("Section 409A"), and shall be interpreted in accordance with such intent. Each payment under the Plan is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). If an award granted under the Plan is subject to Section 409A, any payment to a Participant who is a "specified employee" (within the meaning of Section 409A) of the Company or any Affiliate and that is payable upon such Participant's "separation from service" (within the meaning of Section 409A), shall not be made before the date that is six months after the Participant's separation from service, to the extent required to avoid the adverse consequences of Section 409A. Nothing in the Plan shall be interpreted or construed to transfer any liability for any tax (including a tax or penalty due as a result of a failure to comply with Section 409A) to the Company or to any other individual or entity, and the Company shall have no liability to a Participant, or any other party, if an award granted under the Plan that is intended to be exempt from, or compliant with, Section 409A is not so exempt or compliant.

(d) No Employment or Service Rights. The Plan shall not confer upon any Participant any right to employment or service with the Company or any Affiliate, nor shall it interfere in any way with the right of the Company or any Affiliate to terminate the Participant's employment or service at any time.

(e) Participation. No Employee will have the right to be selected to receive an award under the Plan, or, having been so selected, to be selected to receive a future award.

(f) Successors. All obligations of the Company under the Plan, with respect to awards granted hereunder, will be binding on any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business or assets of the Company.

(g) Nontransferability of Awards. No award granted under the Plan may be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution. All rights with respect to an award granted to a Participant will be available during his or her lifetime only to the Participant.

(h) Construction. Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of the Plan. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

(i) Severability. In the event any provision of the Plan will be held illegal or invalid for any reason, the illegality or invalidity will not affect the remaining parts of the Plan, and the Plan will be construed and enforced as if the illegal or invalid provision had not been included.

(j) Requirements of Law. The granting of awards under the Plan will be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

(k) Recoupment; Clawback. Subject to the terms and conditions of the Plan, the Committee may provide that any Participant and/or any award granted under the Plan is subject to any recovery, recoupment, clawback and/or other forfeiture policy maintained by the Company from time to time.

(l) Effect on Other Employee Benefit Plans. Nothing contained in the Plan shall prevent the Company or any Affiliate from adopting other or additional compensation arrangements for its employees or other service providers. The value of any award under the Plan shall not be included as compensation, earnings, salaries, or other similar terms used when calculating any Participant's benefits under any employee benefit plan sponsored by the Company or any Affiliate, except as such plan otherwise expressly provides. The Company expressly reserves its rights to amend, modify, or terminate any of the Company's or any Affiliate's employee benefit plans.

Exhibit 16.1

August 27, 2021

Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Commissioners:

We have read the statements made by Humacyte, Inc. (formerly Alpha Healthcare Acquisition Corp.) under Item 4.01 of its Form 8-K dated August 27, 2021. We agree with the statements concerning our Firm in such Form 8-K; we are not in a position to agree or disagree with other statements of Humacyte, Inc. (formerly Alpha Healthcare Acquisition Corp.) contained therein.

Very truly yours,

/s/ Marcum LLP

Marcum LLP

EXHIBIT 21.1

Subsidiaries of Humacyte, Inc.

Humacyte Global, Inc.

Exhibit 99.1

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Humacyte, Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Humacyte, Inc. (the "Company") as of December 31, 2020 and 2019, and the related statements of operations and comprehensive loss, of changes in redeemable convertible preferred stock and stockholders' deficit, and of cash flows for the years then ended, including the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 2 to the financial statements, the Company changed the manner in which it accounts for leases in 2019.

Substantial Doubt about the Company's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has generated no product revenue and has incurred net losses and negative cash flows from operations in each year since inception. This raises substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Raleigh, North Carolina
March 22, 2021

We have served as the Company's auditor since 2013.

Humacyte, Inc.
Balance Sheets
(in thousands except for share and per share amounts)

	As of December 31,		June 30,
	2019	2020	2021
			(Unaudited)
ASSETS			
Current assets			
Cash and cash equivalents	$ 93,713	$ 39,929	$ 28,969
Accounts receivable	601	113	689
Prepaid expenses	640	1,407	1,482
Total current assets	94,954	41,449	31,140
Finance lease right-of-use assets, net	25,552	23,492	22,462
Operating lease right-of-use assets, net	897	769	748
Property and equipment, net	47,288	40,978	37,960
Deferred offering costs	-	-	3,242
Total assets	**$ 168,691**	**$ 106,688**	**$ 95,552**

	As of December 31,		June 30,
LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' (DEFICIT) EQUITY	2019	2020	2021 (Unaudited)
Current liabilities			
Accounts payable	$ 3,272	$ 2,274	$ 3,039
Accrued expenses	6,000	4,592	8,652
PPP loan payable, current portion	-	2,451	-
SVB loan payable, current portion	-	-	2,222
Deferred payroll tax, current portion	-	145	145
Finance lease obligation, current portion	1,500	1,729	1,852
Operating lease obligation, current portion	70	42	43
Total current liabilities	10,842	11,233	15,953
PPP loan payable, net of current portion	-	822	-
SVB loan payable, net of current portion	-	-	15,390
Deferred payroll tax, net of current portion	-	144	144
Finance lease obligation, net of current portion	24,819	23,090	22,133
Operating lease obligation, net of current portion	829	727	705
Total liabilities	**36,490**	**36,016**	**54,325**
Commitments and contingencies (Note 12)			
Redeemable convertible preferred stock (Series A, B, C and D) $0.001 par value, 265,096,962 shares authorized, 265,096,951 shares outstanding as of December 31, 2019, December 31, 2020 and June 30, 2021 (unaudited); liquidation preference of $435,579 as of December 31, 2019, December 31, 2020 and June 30, 2021 (unaudited).	420,989	420,989	420,989
Stockholders' (deficit) equity			
Common stock, $0.001 par value; 340,216,780 shares authorized as of December 31, 2019, December 31, 2020 and June 30, 2021 (unaudited); 21,429,003, 22,172,545 and 22,634,707 shares issued and outstanding as of December 31, 2019, December 31, 2020 and June 30, 2021 (unaudited), respectively.	21	22	23
Additional paid-in capital	32,763	37,757	45,810
Accumulated deficit	(321,572)	(388,096)	(425,595)
Total stockholders' (deficit) equity	(288,788)	(350,317)	(379,762)
Total liabilities, redeemable convertible preferred stock and stockholders' (deficit) equity	**$ 168,691**	**$ 106,688**	**$ 95,552**

The accompanying notes are an integral part of these financial statements.

Humacyte, Inc.
Statements of Operations and Comprehensive Loss
(in thousands except for share and per share amounts)

	Year Ended December 31,		For the Six Months Ended June 30,	
	2019	2020	2020	2021
			(Unaudited)	(Unaudited)
Grant revenue	$ 6,187	$ 1,491	$ 453	$ 845
Operating expenses:				
Research and development (includes related party expenses of $571 and $620 for the years ended December 31, 2019 and 2020 and $313 and $166 for the six months ended June 30, 2020 and 2021 (unaudited))	75,603	54,078	26,187	29,705
General and administrative	16,275	12,013	5,981	10,178
Total operating expenses	91,878	66,091	32,168	39,883
Loss from operations	**(85,691)**	**(64,600)**	**(31,715)**	**(39,038)**
Other income (expenses), net:				
Interest income	2,567	278	275	3
Gain on PPP loan forgiveness	-	-	-	3,284
Interest expense	(2,298)	(2,202)	(1,112)	(1,748)
Total other income (expenses), net	269	(1,924)	(837)	1,539
Net loss and comprehensive loss	**$ (85,422)**	**$ (66,524)**	**$ (32,552)**	**$ (37,499)**
Net loss per share attributable to common stockholders, basic and diluted	$ (4.25)	$ (3.03)	$ (1.49)	$ (1.67)
Weighted-average shares outstanding used in computing net loss per share attributable to common stockholders, basic and diluted	20,120,442	21,956,162	21,854,473	22,499,516

The accompanying notes are an integral part of these financial statements.

Humacyte, Inc.
Statements of Changes in Redeemable Convertible Preferred Stock and Stockholders' Deficit
(in thousands except for share amounts)

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount			
Balance as of December 31, 2018	**265,096,951**	**$ 420,989**	**19,064,776**	**$ 19**	**$ 27,090**	**$ (234,289)**	**$ (207,180)**
Proceeds from the exercise of stock options	-	-	2,364,227	2	1,216	-	1,218
Stock-based compensation	-	-	-	-	4,457	-	4,457
Cumulative effective adjustment from adoption of ASC 842	-	-	-	-	-	(1,861)	(1,861)
Net loss	-	-	-	-	-	(85,422)	(85,422)
Balance as of December 31, 2019	**265,096,951**	**$ 420,989**	**21,429,003**	**$ 21**	**$ 32,763**	**$ (321,572)**	**$ (288,788)**
Proceeds from the exercise of stock options (unaudited)	-	-	609,011	1	222	-	223
Stock-based compensation (unaudited)	-	-	-	-	2,296	-	2,296
Net loss (unaudited)	-	-	-	-	-	(32,552)	(32,552)
Balance as of June 30, 2020 (unaudited)	**265,096,951**	**$ 420,989**	**22,038,014**	**$ 22**	**$ 35,281**	**$ (354,124)**	**$ (318,821)**

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount			
Balance as of December 31, 2019	**265,096,951**	**$ 420,989**	**21,429,003**	**$ 21**	**$ 32,763**	**$ (321,572)**	**$ (288,788)**
Proceeds from the exercise of stock options	-	-	743,542	1	300	-	301
Stock-based compensation	-	-	-	-	4,694	-	4,694
Net loss	-	-	-	-	-	(66,524)	(66,524)
Balance as of December 31, 2020	**265,096,951**	**$ 420,989**	**22,172,545**	**$ 22**	**$ 37,757**	**$ (388,096)**	**$ (350,317)**
Proceeds from the exercise of stock options (unaudited)	-	-	462,162	1	235	-	236
Stock-based compensation (unaudited)	-	-	-	-	5,458	-	5,458
Issuance of warrants in conjunction with debt (unaudited)	-	-	-	-	2,360	-	2,360
Net loss (unaudited)	-	-	-	-	-	(37,499)	(37,499)
Balance as of June 30, 2021 (unaudited)	**265,096,951**	**$ 420,989**	**22,634,707**	**$ 23**	**$ 45,810**	**$ (425,595)**	**$ (379,762)**

The accompanying notes are an integral part of these financial statements.

Humacyte, Inc.
Statements of Cash Flows
(in thousands)

	Year Ended December 31,		For the Six Months Ended June 30,	
	2019	**2020**	**2020**	**2021**
			(Unaudited)	**(Unaudited)**
Cash flows from operating activities				
Net loss	$ (85,422)	$ (66,524)	$ (32,552)	(37,499)
Adjustments to reconcile net loss to net cash used in operating activities:				
Depreciation expense	4,689	6,291	3,162	3,106
Stock-based compensation expense	4,457	4,694	2,296	5,458
Loss on disposal of property and equipment	69	177	149	-
Amortization expense	2,060	2,060	1,030	1,030
Non-cash operating lease costs	62	81	44	21
Amortization of SVB debt discount	-	-	-	313
Accrued interest on PPP loan obligation	-	22	7	11
Gain on PPP loan forgiveness	-	-	-	(3,284)
Changes in operating assets and liabilities:				
Accounts receivable	(185)	488	407	(576)
Prepaid expenses	216	(767)	(678)	(75)
Other assets	112	-	-	-
Accounts payable	2,434	(889)	(911)	769
Accrued expenses	372	(1,408)	(482)	1,524
Operating lease obligation	(62)	(82)	(54)	(21)
Deferred payroll taxes	-	289	-	-
Deferred revenue	(589)	-	-	-
Net cash used in operating activities	(71,787)	(55,568)	(27,582)	(29,223)
Cash flows from investing activities				
Purchase of property and equipment	(8,125)	(318)	(289)	(92)
Proceeds from sale of property and equipment	-	50	50	-
Net cash used in investing activities	(8,125)	(268)	(239)	(92)
Cash flows from financing activities				
Proceeds from the exercise of stock options	1,218	301	223	236
Proceeds from PPP loan	-	3,251	3,251	-
Proceeds from SVB loan	-	-	-	19,944
Payment of SVB loan issuance cost	-	-	-	(285)
Payment of deferred offering costs	-	-	-	(706)
Payment of finance lease principal	(1,292)	(1,500)	(722)	(834)
Net cash provided by (used in) financing activities	(74)	2,052	2,752	18,355
Net decrease in cash and cash equivalents	(79,986)	(53,784)	(25,069)	(10,960)
Cash and cash equivalents at the beginning of the period	173,699	93,713	93,713	39,929
Cash and cash equivalents at the end of the period	**93,713**	**39,929**	**68,644**	**28,969**
Supplemental disclosure				
Cash paid for interest on SVB loan	$ -	$ -	$ -	$ 258
Supplemental disclosure of noncash activities:				
Operating lease right-of-use assets obtained in exchange for lease obligations	$ 36	$ 36	$ 36	$ -
Accrued property and equipment	$ 113	$ 4	$ -	$ -
Issuance of warrants in conjunction with debt	$ -	$ -	$ -	$ 2,360
Unpaid deferred offering costs	$ -	$ -	$ -	$ 2,536

The accompanying notes are an integral part of these financial statements.

Humacyte, Inc.
Notes to Financial Statements

1. Organization and Description of Business

Organization

Humacyte, Inc., or the Company, is pioneering the development and manufacture of off-the-shelf, universally implantable, bioengineered human tissues to improve the lives of patients and transform the practice of medicine. The Company is leveraging its technology platform to develop proprietary, bioengineered, acellular human tissues for use in the treatment of diseases and conditions across a range of anatomic locations in multiple therapeutic areas.

Liquidity and Going Concern

Since its inception in 2004, the Company has generated no product revenue and has incurred net losses and negative cash flows from operations in each year. To date, the Company has financed its operations primarily through the sale of equity securities and convertible debt and, to a lesser extent, through governmental and other grants. At December 31, 2019 and 2020 and June 30, 2021 (unaudited), the Company had an accumulated deficit of $321.6 million, $388.1 million and $425.7 million, respectively. The Company's net losses were $85.4 million and $66.5 million for the years ended December 31, 2019 and 2020, respectively, and $32.6 million and $37.5 million for the six months ended June 30, 2020 and 2021 (unaudited). Substantially all of the Company's net losses resulted from costs incurred in connection with the Company's research and development programs and from general and administrative costs associated with the Company's operations. The Company expects to incur substantial operating losses and negative cash flows from operations for the foreseeable future as the Company advances its product candidates.

The Company does not believe its existing cash and cash equivalents will be sufficient to fund its anticipated operating expenses, including clinical trial expenses, and capital expenditure requirements for at least twelve months following the date these financial statements were issued. Until such time, if ever, as the Company is able to successfully develop and commercialize one or more of its product candidates, it expects to fund its operations through the sale of equity, debt, borrowing under credit facilities or through potential collaborations with other companies, other strategic transactions or government contracts and grants. The Company's future capital requirements will depend on many factors, and adequate capital may not be available to the Company when needed or on acceptable terms. If the Company is unable to raise capital, it could be forced to delay, reduce, suspend or cease its research and development programs or any future commercialization efforts, which would have a negative impact on the Company's business, prospects, operating results and financial condition. As of March 22, 2021, the issuance date of the financial statements for the year ended December 31, 2020, the Company has concluded that there is substantial doubt about its ability to continue as a going concern within one year after the date that the annual financial statements were issued.

The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty. Accordingly, the financial statements have been prepared on a basis that assumes the Company will continue as a going concern and which contemplates the realization of assets and satisfaction of liabilities and commitments in the ordinary course of business.

Business Combination

On February 17, 2021, the Company entered into a business combination agreement with Alpha Healthcare Acquisition Corp. ("AHAC") and Hunter Merger Sub, Inc. ("Merger Sub"), a wholly owned subsidiary of AHAC, pursuant to which Merger Sub will merge with the Company, with the Company surviving the Merger as a wholly owned subsidiary of AHAC (the "Merger"). As a result of the Merger, AHAC will immediately be renamed Humacyte, Inc. ("New Humacyte"). Immediately prior to the consummation of the Merger, the Company's outstanding preferred stock will automatically convert into shares of the Company's common stock at the then-effective conversion ratio.

In addition, concurrently with the completion of the Merger, certain investors have agreed to subscribe for and purchase an aggregate of $175 million of common stock of New Humacyte (the "PIPE Investment"). The boards of directors of both AHAC and the Company have approved the proposed Merger. Completion of the Merger is subject to approval of AHAC's shareholders and the satisfaction or waiver of certain other customary closing conditions. The Company expects that the Merger will represent a business combination pursuant to FASB ASC Topic 805, Business Combinations and will be accounted for as a reverse recapitalization in accordance with GAAP. Under this method of accounting, AHAC will be treated as the acquired company for financial reporting purposes. This determination is primarily based on the fact that subsequent to the Merger, the Company's stockholders are expected to have a majority of the voting power of the combined company, the Company will comprise all of the ongoing operations of the combined company, the Company will comprise a majority of the governing body of the combined company, and the Company's senior management will comprise all of the senior management of the combined company. Accordingly, for accounting purposes, the Merger will be treated as the equivalent of the Company issuing shares for the net assets of AHAC, accompanied by a recapitalization. The net assets of AHAC will be stated at historical costs. No goodwill or other intangible assets will be recorded. Operations prior to the Merger will be those of the Company.

Impact of COVID-19

The COVID-19 pandemic, which began in December 2019 and has spread worldwide, has caused many governments to implement measures to slow the spread of the outbreak, including shelter-in-place orders and the mandatory shutdown of certain businesses. The outbreak and government measures taken in response have had a significant impact, both direct and indirect, on the Company's business, as supply chains have been disrupted, and facilities and production have been suspended. The future progression of the pandemic and its effects on the Company's business and operations are uncertain. The COVID-19 pandemic may affect the Company's ability to initiate and complete preclinical studies, delay its clinical trials or future clinical trials, disrupt regulatory activities, or have other adverse effects on its business and operations. The pandemic has already caused significant disruptions in the financial markets, and may continue to cause such disruptions, which could impact the Company's ability to raise additional funds to support its operations. Moreover, the pandemic has significantly impacted economies worldwide and could result in adverse effects on the Company's business and operations.

To date, the COVID-19 pandemic has not resulted in material financial impacts or impairment losses in the carrying values of the Company's assets as a result of the pandemic and the Company is not aware of any specific related event or circumstance that would require it to revise the estimates reflected in these financial statements. The extent to which the COVID-19 pandemic will directly or indirectly impact the Company's business, results of operations and financial condition, including current and future clinical trials and research and development costs, will depend on future developments that are highly uncertain, including as a result of new information that may emerge concerning COVID-19, the actions taken to contain or treat it, and the duration and intensity of the related economic impact of the pandemic.

2. Summary of Significant Accounting Policies

Basis of Presentation

The Company has prepared the accompanying financial statements in conformity with accounting principles generally accepted in the United States of America, or GAAP.

Unaudited Interim Financial Statements

The accompanying balance sheet as of June 30, 2021, and the statements of operations and comprehensive loss, the statements of changes in redeemable convertible preferred stock and stockholders' deficit and the statements of cash flows for the six months ended June 30, 2020 and 2021 are unaudited. These unaudited interim financial statements have been prepared on the same basis as the audited financial statements, and in management's opinion, include all adjustments, consisting of only normal recurring adjustments, necessary for the fair statement of the Company's financial position as of June 30, 2021 and its results of operations and cash flows for the six months ended June 30, 2020 and 2021. The financial data and the other financial information disclosed in the notes to these financial statements related to these six-month periods are also unaudited. The results of operations for the six months ended June 30, 2021 are not necessarily indicative of the results to be expected for the year ended December 31, 2021 or any other period.

Segments

The Company operates and manages its business as one reportable and operating segment. The Company is developing proprietary, bioengineered, acellular human tissues that can be used in the treatment of diseases and conditions across a range of anatomic locations in multiple therapeutic areas. The Company's chief executive officer, who is the chief operating decision maker, reviews financial information on an aggregate basis for purposes of evaluating financial performance and allocating resources.

Comprehensive loss

Comprehensive loss includes net loss as well as other changes in stockholders' deficit that result from transactions and economic events other than those with stockholders. There was no difference between net loss and comprehensive loss for the years ended December 31, 2019 and 2020 and the six months ended June 30, 2021 (unaudited).

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates in the financial statements include stock-based compensation costs, right-of-use, or ROU, assets, accruals for research and development activities, fair value of common stock, useful lives of property and equipment, redeemable convertible preferred stock and income taxes. The Company evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors and adjusts those estimates and assumptions when facts and circumstances dictate. Actual results could differ from those estimates.

Cash and Cash Equivalents

The Company considers all short-term, highly liquid investments purchased with an original maturity of three months or less at the date of purchase to be cash equivalents. Cash deposits are held with financial institutions with investment-grade ratings in the United States of America, or US. Cash deposits typically exceed federally insured limits. As of December 31, 2019 and 2020, and June 30, 2021 (unaudited), cash and cash equivalents consisted of cash on deposit with banks denominated in US dollars and investments in money market funds.

Redeemable Convertible Preferred Stock

The Company analyzes all issued equity instruments to determine the appropriate accounting and classification. The Company evaluates its equity instruments under Accounting Standards Codification, or ASC 480, *Distinguishing liabilities from equity*, to determine whether the instrument embodies an obligation of the Company and, if not, the appropriate classification within temporary or permanent equity. Equity instruments that are classified as temporary equity will have at least one of the following characteristics: redemption at a fixed or determinable price on a fixed or determinable date or dates, redemption at the option of the holder, or any condition of redemption or liquidation which is not solely within the control of the Company without regard to probability.

The Company records equity instruments that are classified as temporary equity at fair value upon issuance, net of issuance costs. The Company accretes the carrying value of its redeemable convertible preferred stock to the redemption or liquidation amount once the Company has determined that it is probable that it will become redeemable or be liquidated. The accretion will be recorded as charges against additional paid-in capital until the additional paid-in capital balance is reduced to zero. At that time, additional accretion adjustments will be recorded as additions to accumulated deficit.

The Company also analyzes instances where the equity instrument has a conversion feature pursuant to ASC 815, *Derivatives and hedging*, to determine whether the embedded conversion feature should be bifurcated from the equity instrument and accounted for separately. As of December 31, 2019 and 2020, and June 30, 2021 (unaudited), the Company did not have any instruments that have been recognized as derivative liabilities with respect to its outstanding redeemable convertible preferred stock.

Revenue Recognition

The Company's revenues generally consist of grant revenues, including revenues generated under government and other awarded grants.

In 2014, the Financial Accounting Standards Board, or FASB, issued Accounting Standards Update No. 2014-09, Revenues from Contracts with Customers (Topic 606), or ASC 606. The new guidance became effective January 1, 2019 for private companies with early adoption allowed. The Company adopted ASC 606 on January 1, 2019 using the modified-retrospective adoption method for all contracts that were not completed as of the date of adoption. Under the modified-retrospective method, there was no cumulative effect of applying the standard as of January 1, 2019.

Under ASC 606, revenue is recognized when a customer obtains control of promised goods or services and is recognized in an amount that reflects the consideration that an entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that an entity determines are within the scope of ASC 606, the entity performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation. ASC 606 also impacts certain other areas, such as the accounting for costs to obtain or fulfill a contract.

In addition, ASC 606 requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers.

For contracts where the period between when the Company transfers a promised good or service to the customer and when the customer pays is one year or less, the Company has elected the practical expedient to not adjust the promised amount of consideration for the effects of a significant financing component.

Grant Revenue

The Company generates revenue primarily from government and other awarded grants that reimburse the Company for certain allowable costs related to research and development efforts. These grants include the following terms:

The Department of Defense grants are for an award of $4.0 million, all of which has been recognized as revenue before the program ended, for work on bioengineered blood vessels for vascular trauma which was awarded to the Company in September 2017 and ended in February 2020 and an award of $7.1 million for work to support human tissue engineered blood vessels for vascular reconstruction in the injured warfighter which was awarded to the Company in August 2017 and is ongoing. The Company has recognized revenue of $4.5 million during 2019, $1.1 million during 2020, and $0.5 million and $0.8 million during the six months ended June 30, 2020 (unaudited) and 2021 (unaudited), respectively, for reimbursement of certain allowable costs related to these grants.

The California Institute of Regenerative Medicine grants are for work to support the Company's Phase III clinical trials, which were awarded to the Company in July 2016 and November 2017. The Company recognized $11.2 million in revenue from these grants upon the achievement of performance milestones related to patient enrollment targets before this program ended in 2020. The Company has recognized revenue of $1.7 million during 2019 and no revenue was recognized during 2020 or during the six months ended June 30, 2020 (unaudited) and 2021 (unaudited), respectively, for reimbursement of certain allowable costs related to these grants.

The National Institutes of Health grant is for $1.6 million for work to support bioengineered grafts for peripheral vascular disease which was awarded to the Company in November 2013. The Company recognized $1.6 million for the reimbursement of certain allowable costs related to the grant before this program ended in 2020. The Company has recognized no revenue during 2019, $0.3 million during 2020, and no revenue during the six months ended June 30, 2020 (unaudited) and 2021 (unaudited) for reimbursement of certain allowable costs related to these grants.

The Company has determined that the grants are not within the scope of ASC 606 as they do not meet the definition of a contract with a customer. The Company has concluded that the grants meet the definition of a contribution and are nonexchange transactions and has applied the contribution accounting model in Subtopic 958-605, Not-for-Profit-Entities-Revenue Recognition by analogy.

The Company recognizes funding received from grants as revenue, rather than as a reduction of research and development expenses, because the Company is the principal in conducting the research and development activities and these grants are central to the Company's ongoing operations. The Company recognizes revenue only after the qualifying expenses related to the grants have been incurred and it is reasonably assured that the expenses will be reimbursed and the revenue will be collectible. The related costs incurred are included in research and development expense in our statements of operations and comprehensive loss.

Revenue from grants not within the scope of ASC 606 was $6.2 million and $1.5 million for the years ending December 31, 2019 and 2020, respectively, and $0.4 million and $0.8 million for the six months ended June 30, 2020 and 2021 (unaudited), respectively.

Concentration of Credit Risk

Financial instruments which potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents. Total cash balances exceeded insured balances by the Federal Deposit Insurance Corporation as of December 31, 2019 and 2020 and June 30, 2021 (unaudited). Cash equivalents are invested in highly rated money market funds invested only in obligations of the US government and its agencies.

The majority of the Company's revenue has been derived from government grants. The Company's grants, which represented 10% or more of the Company's total revenue during the years ended December 31, 2019 and 2020 and the six months ended June 30, 2021 (unaudited) or accounts receivable balance as of December 31, 2019 and 2020 and June 30, 2021 (unaudited), are as follows:

	2019		2020		June 2020 (unaudited)		June 2021 (unaudited)	
	Revenue	Accounts Receivable	Revenue	Accounts Receivable	Revenue	Accounts Receivable	Revenue	Accounts Receivable
Grant A	28%	-	-	-	-	-	-	-
Grant B	38%	67%	10%	-	32%	-	-	-
Grant C	34%	33%	67%	100%	61%	83%	100%	100%
Grant D	-	-	18%	-	-	-	-	-
Total	100%	100%	95%	100%	93%	83%	100%	100%

All of the Company's revenues were generated from grants from government and other entities located in the United States, for the years ended December 31, 2019 and 2020, and the six months ended June 30, 2020 and 2021 (unaudited).

Other Risks and Uncertainties

The Company is subject to risks and uncertainties common to early-stage companies in the biotechnology industry, including, but not limited to, successful discovery and development of its product candidates, the success of clinical trials and other studies for its product candidates, including for its ongoing V005 Phase II/III clinical trial and V007 Phase III clinical trial, the regulatory approval and commercialization of its HAVs and other product candidates, the expected size of the target populations for the Company's product candidates, the degree of market acceptance of the HAVs, if approved, the availability of third-party coverage and reimbursement, development by competitors of new technological innovations, the ability to manufacture HAVs and other product candidates in sufficient quantities, expectations regarding the Company's strategic partnerships, dependence on third parties, key personnel and the ability to attract and retain qualified employees, protection of proprietary technology and confidentiality of trade secrets, compliance with governmental regulations, the impact of the COVID-19 pandemic, the Company's implementation and maintenance of effective internal controls, and the ability to secure additional capital to fund operations and commercial success of its product candidates.

Product candidates currently under development will require extensive preclinical and clinical testing and regulatory approval prior to commercialization. These efforts require significant amounts of additional capital, adequate personnel, and infrastructure and extensive compliance-reporting capabilities. Even if the Company's commercialization efforts are successful, it is uncertain when, if ever, the Company will realize significant revenue from product sales, and the Company may depend on certain strategic relationships to distribute its products, including the Company's strategic partnership with Fresenius Medical Care Holdings, Inc., or Fresenius Medical Care, to sell, market and distribute its 6 millimeter HAV for certain specified indications.

Net Loss per Share Attributable to Common Stockholders

The Company applies the two-class method to compute basic and diluted net loss per share attributable to common stockholders when shares meet the definition of participating securities. The two-class method determines net loss per share for each class of common and redeemable convertible preferred stock according to dividends declared or accumulated and participation rights in undistributed earnings. The two-class method requires income (loss) available to common stockholders for the period to be allocated between common and redeemable convertible preferred stock based upon their respective rights to share in the earnings as if all income (loss) for the period had been distributed. During periods of loss, there is no allocation required under the two-class method since the redeemable convertible preferred stock does not have a contractual obligation to share in the Company's losses.

Basic net loss per share attributable to common stockholders is computed by dividing net loss attributable to common stockholders by the weighted-average number of common shares outstanding during the period without consideration of potentially dilutive common stock. Diluted net loss per share attributable to common stockholders reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock or resulted in the issuance of common stock that then shared in the earnings of the Company unless inclusion of such shares would be anti-dilutive. Since the Company has only incurred losses, basic and diluted net loss per share is the same. Securities that could potentially dilute net loss per share in the future that were not included in the computation of diluted net loss per share are as follows:

	December 31,		June 30,	
	2019	2020	2020	2021
			(Unaudited)	(Unaudited)
Shares issuable upon conversion of Series A redeemable convertible preferred stock	70,152,805	70,152,805	70,152,805	70,152,805
Shares issuable upon conversion of Series B redeemable convertible preferred stock	91,919,158	91,919,158	91,919,158	91,919,158
Shares issuable upon conversion of Series C redeemable convertible preferred stock	42,808,208	42,808,208	42,808,208	42,808,208
Shares issuable upon conversion of Series D redeemable convertible preferred stock	60,216,780	60,216,780	60,216,780	60,216,780
Exercise of options under stock plan	19,880,073	18,330,574	17,218,438	24,831,266
Warrants to purchase common stock	125,520	125,520	125,520	1,095,616

Fair Value of Financial Instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants at the measurement date. ASC 820, *Fair Value Measurement and Disclosures*, establishes a hierarchy whereby inputs to valuation techniques used in measuring fair value are prioritized, or the fair value hierarchy. There are three levels to the fair value hierarchy based on reliability of inputs, as follows:

- Level 1 — Observable inputs that reflect unadjusted quoted prices for identical assets or liabilities in active markets.

- Level 2 — Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

- Level 3 — Unobservable inputs in which little or no market data exists, therefore requiring the Company to develop its own assumptions.

The Company evaluates assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level at which to classify them for each reporting period, utilizing valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The determination requires significant judgments to be made by the Company.

The Company's cash equivalents are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices. The carrying values of other receivables, accounts payable and accrued expenses as of December 31, 2019 and 2020, and June 30, 2021 (unaudited) approximated their fair values due to the short-term nature of these items.

Property and Equipment, Net

Property and equipment, net are recorded at cost less accumulated depreciation. Expenditures for major additions and improvements are capitalized and minor replacements, maintenance, and repairs are charged to expense as incurred. When property and equipment are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the balance sheet accounts and any resulting gain or loss is included in the results of operations for the respective period. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets. The estimated useful lives for significant asset categories are as follows:

Property and equipment	Estimated Useful Lives (Years)
Scientific equipment	5 – 7
Computer equipment	5
Software	3
Furniture and fixtures	5 – 7
Leasehold improvements	Lesser of useful life or life of lease
Construction in progress	N/A

Impairment of Long-Lived Assets

The Company reviews the carrying value of property and equipment for indicators of possible impairment whenever events and circumstances indicate that the carrying value of an asset or asset group may not be recoverable from the estimated future net undiscounted cash flows expected to result from its use and eventual disposition. In cases where estimated future net undiscounted cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of the asset or asset group. The factors considered by management in performing this assessment include current operating results, trends and prospects, the manner in which the property is used, and the effects of obsolescence, demand, competition, and other economic factors. Based on this assessment, there was no impairment at December 31, 2019 and 2020.

Income Taxes

Income taxes are computed using the asset and liability approach that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the Company's financial statements. In estimating future tax consequences, the Company considers all expected future events other than enactment of changes in tax laws or rates. A valuation allowance is recorded, if necessary, to reduce net deferred tax assets to their realizable values if management does not believe it is more likely than not that the net deferred tax assets will be realized. As of December 31, 2019 and 2020, and June 30, 2021 (unaudited), the Company has recorded a full valuation allowance against its deferred tax assets.

The Company recognizes the benefit of an income tax position only if it is more likely than not (greater than 50%) that the tax position will be sustained upon tax examination, based solely on the technical merits of the tax position. Otherwise, no benefit can be recognized. Assessing an uncertain tax position begins with the initial determination of the sustainability of the position and is measured at the largest amount of benefit that is greater than 50% likely of being realized upon ultimate settlement. As of each balance sheet date, unresolved uncertain tax positions must be reassessed. Additionally, the Company must accrue interest and related penalties, if applicable, on all tax exposures for which reserves have been established consistent with jurisdictional tax laws.

The Company has analyzed its filing positions in all significant Federal and state jurisdictions where it is required to file income tax returns, as well as open tax years in these jurisdictions. As of December 31, 2019 and 2020, and June 30, 2021 (unaudited), the Company has determined that no uncertain tax positions would have a material impact on the financials statements of the Company. The Company is no longer subject to Federal, state, and local tax examinations by tax authorities for years before 2017 although carry-forward attributes that were generated prior to 2017 may still be adjusted upon examination by the taxing authorities if they either have been or will be used in a future period. No income tax returns are currently under examination by taxing authorities.

As of December 31, 2019 and 2020, and June 30, 2021 (unaudited), the Company had not recorded any amounts for unrecognized tax benefits. The Company's policy is to recognize interest and penalties related to uncertain tax positions in the provision for income taxes. As of December 31, 2019 and 2020, and June 30, 2021 (unaudited), the Company had no accrued interest or penalties related to uncertain tax positions, and no amounts had been recognized in the Company's statements of operations and comprehensive loss.

Intellectual Property

The Company seeks to protect its intellectual property by filing patent applications in the United States and abroad related to novel technologies and product candidates that it views as important to its business. The patent positions of biotechnology companies generally, including the Company's patent positions, is highly uncertain and involves complex legal and factual questions for which legal principles remain unresolved. Patent costs have been expensed as incurred as general and administrative expense.

Research and Development

The Company expenses research and development costs as operating expenses as incurred. Research and development expenses consist primarily of:

- salaries and related overhead expenses for personnel in research and development functions, including stock-based compensation and benefits;
- fees paid to consultants and CROs, including in connection with clinical trials, and other related clinical trial fees, such as for investigator grants, patient screening, laboratory work and statistical compilation and analysis;
- allocation of facility lease and maintenance costs;
- depreciation of leasehold improvements, laboratory equipment and computers;

- costs related to purchasing raw materials for and producing product candidates for clinical trials;
- costs related to compliance with regulatory requirements;
- costs related to the manufacturing scale-out initiative; and
- license fees related to in-licensed technologies.

Accrued Research and Development

The Company has entered into various agreements with CROs and a CMO, which conduct preclinical studies and clinical trials and contract manufacturing activities. The Company's research and development accruals are estimated based on the level of services performed, progress of the studies, including the phase or completion of events, and contracted costs. The estimated costs of research and development provided, but not yet invoiced, are included in accrued expenses on the balance sheet. If the actual timing of the performance of services or the level of effort varies from the original estimates, the Company will adjust the accrual accordingly. Payments made under these arrangements in advance of the performance of the related services are recorded as prepaid expenses and other current assets until the services are rendered. The Company terminated its agreement with its CMO on March 6, 2020 but will continue to rely on its CMO to store and ship HAV inventory until such time as its HAV inventory is fully depleted . As of December 31, 2020, the inventory value held at the CMO was immaterial and as of June 30, 2021 (unaudited), the inventory was fully depleted.

Stock-Based Compensation

The Company accounts for stock-based compensation for employees and non-employees measured at grant date, based on the fair value of the award. The Company measures the fair value of awards granted using the Black-Scholes option pricing model and recognizes the expense over the requisite service period using the straight-line method. Option valuation models, including the Black-Scholes option-pricing model, require the input of highly subjective assumptions, and changes in the assumptions used can materially affect the grant-date fair value of an award. These assumptions include the risk-free rate of interest, expected dividend yield, expected volatility, the expected term of the award, and the fair value of the underlying common stock on the date of grant. Forfeitures are accounted for as they occur.

Leases

Effective January 1, 2019, the Company accounts for its leases under ASC 842, *Leases*. The Company determines if an arrangement is or contains a lease and the classification of that lease at inception of a contract. The Company's operating lease assets are included in "operating lease right-of-use assets, net", and the current and non-current portions of the operating lease liabilities are included in "operating lease obligation, current portion", and "operating lease obligation, net of current portion", respectively, on the balance sheets. The Company's finance lease assets are included in "finance lease right-of-use assets, net", and the current and non-current portions of the finance lease liabilities are included in "finance lease obligation, current portion", and "finance lease obligation, net of current portion", respectively, on the balance sheets.

Under this guidance, arrangements meeting the definition of a lease are classified as operating or finance leases, and are recorded on the balance sheet as both a right-of-use asset and lease liability, calculated by discounting fixed lease payments over the lease term at the rate implicit in the lease or the Company's incremental borrowing rate. Lease right-of-use assets and lease obligations are recognized based on the present value of the future minimum lease payments over the lease term at commencement date. Operating lease right-of-use assets are adjusted for (i) payments made at or before the commencement date, (ii) initial direct costs incurred, and (iii) tenant incentives under the lease. As the implicit rate for the operating leases were not determinable, the Company used an incremental borrowing rate based on the information available at the respective lease commencement dates in determining the present value of future payments. The incremental borrowing rate represents the interest rate the Company would expect to incur at lease commencement to borrow an amount equal to the lease payments on a collateralized basis over the term of a lease. The Company determined the incremental borrowing rate by considering various factors, such as its credit rating, interest rates of similar debt instruments of entities with comparable credit ratings, the lease term and the currency in which the lease was denominated. The Company considers a lease term to be the noncancelable period that it has the right to use the underlying asset, including any periods where it is reasonably certain the Company will exercise any option to extend the contract.

Lease expenses for minimum lease payments for operating leases are recognized on a straight-line basis over the lease term. Amortization expense of the right-of-use asset for finance leases is recognized on a straight-line basis over the lease term and interest expense for finance leases is recognized based on the incremental borrowing rate. Lease liabilities are increased by interest and reduced by payments each period, and the right of use asset is amortized over the lease term.

In calculating the right-of-use assets and lease liabilities, the Company has elected to combine lease and non-lease components for all asset classes. The Company excludes short-term leases, if any, having initial terms of 12 months or less from the new guidance as an accounting policy election, and recognizes rent expense on a straight-line basis over the lease term.

Prior to the adoption of ASC 842 on January 1, 2019 the Company was deemed to be the accounting owner of leased space during the construction of its headquarters in a build-to-suit arrangement. Upon substantial completion of construction in June 2018, the Company assessed the facility for sale-leaseback criteria qualification. The Company determined that the transaction did not meet the requirements of a sale-leaseback due to the Company's continuing involvement in the leased facility. As such, the facility was accounted for as an asset financing, with the building asset and related facility financing obligation remaining on the Company's balance sheet. The Company availed itself of the practical expedients provided under the ASU and its subsequent amendments regarding identification of leases, lease classification, indirect costs, and the combination of lease and non-lease components. Upon adoption of ASC 842, the Company removed the building assets and facility financing obligation, under the failed sale leaseback, for its headquarters lease from its financial statements, with a corresponding adjustment (addition) to accumulated deficit of $1.9 million, and recorded a finance lease liability and corresponding right-of-use asset, each for $27.6 million in connection with the headquarters lease. In addition, the adoption of this guidance resulted in the recognition of operating right-of-use assets and operating lease liabilities of $0.9 million as of January 1, 2019, which included the lease of the underlying land associated with its headquarters.

The cumulative effect of initially applying the new lease guidance on January 1, 2019 is as follows:

	January 1, 2019		
($ in thousands)	**Beginning Balance**	**Cumulative Effect Adjustment**	**Beginning Balance, As Adjusted**
Assets			
Building asset	$ 25,091	$ (25,091)	$ -
Finance lease right-of-use assets, net	$ -	$ 27,612	$ 27,612
Operating lease right-of-use assets, net	$ -	$ 923	$ 923
Liabilities and stockholders' deficit			
Accrued expenses	$ 7,049	$ (1)	$ 7,048
Facility financing obligation, current portion	$ 276	$ (276)	$ -
Finance lease obligation, current portion	$ -	$ 1,292	$ 1,292
Operating lease obligation, current portion	$ -	$ 55	$ 55
Facility financing obligation, net of current portion	$ 22,955	$ (22,955)	$ -
Finance lease obligation, net of current portion	$ -	$ 26,319	$ 26,319
Operating lease obligation, net of current portion	$ -	$ 870	$ 870
Accumulated deficit	$ (234,289)	$ (1,861)	$ (236,150)

Recently Adopted Accounting Pronouncements

In August 2018, the FASB issued ASU 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework — Changes to the Disclosure Requirements for Fair Value Measurement, which makes a number of changes to add, modify or remove certain disclosure requirements associated with the movement amongst or hierarchy associated with Level 1, Level 2 and Level 3 fair value measurements. This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early adoption is permitted upon issuance of the update. The Company adopted ASU 2018-13 as of January 1, 2020. The adoption of this ASU did not have a material impact on its financial statements and related disclosures.

Recently Issued Accounting Pronouncements

In August 2020, the FASB issued ASU No. 2020-06, "Debt-Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging-Contracts in Entity's Own Equity (Subtopic 815-40): Accounting for Convertible Instruments and Contracts in an Entity's Own Equity ("ASU 2020-06"), which simplifies accounting for convertible instruments by removing major separation models required under current U.S. GAAP. The ASU removes certain settlement conditions that are required for equity contracts to qualify for the derivative scope exception and it also simplifies the diluted earnings per share calculation in certain areas. Either a modified retrospective method of transition or a fully retrospective method of transition is permissible for the adoption of this standard. This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2021, with early adoption permitted. The Company adopted ASU 2020-06 as of January 1, 2021 (unaudited). The adoption of this ASU had no impact on its financial statements and related disclosures.

In May 2021, the FASB issued ASU 2021-04, Issuer's Accounting for Certain Modifications or Exchanges of Freestanding Equity-Classified Written Call Options. The FASB is issuing this update to clarify and reduce diversity in an issuer's accounting for modifications or exchanges of freestanding equity classified written call options (for example, warrants) that remain equity classified after modification or exchange. ASU 2021-04 is effective for all entities for fiscal years beginning after December 15, 2021, including interim periods within those fiscal years. An entity should apply the amendments prospectively to modifications or exchanges occurring after the effective date of the amendments. The Company is currently evaluating the effect of this update on its financial statements.

3. Property and Equipment, Net

Property and equipment, net consist of the following:

($ in thousands)	As of December 31, 2019	As of December 31, 2020	June 30, 2021
			(Unaudited)
Scientific equipment	$ 27,822	$ 27,412	$ 27,495
Computer equipment	218	149	154
Software	340	335	335
Furniture and fixtures	988	988	988
Leasehold improvements	26,337	26,355	26,355
	55,705	55,239	55,327
Accumulated depreciation	(8,417)	(14,261)	(17,367)
Property and equipment, net	$ 47,288	$ 40,978	$ 37,960

Depreciation expense totaled $4.7 million and $6.3 million for the years ended December 31, 2019 and 2020, respectively and $3.2 million and $3.1 million for the six months ended June 30, 2020 and 2021 (unaudited), respectively. All long-lived assets are maintained in the United States.

4. Accrued Expenses

Accrued expenses consisted of the following:

($ in thousands)	As of December 31, 2019	As of December 31, 2020	As of June 30, 2021
			(Unaudited)
Accrued external research, development and manufacturing costs	$ 3,872	$ 2,615	$ 1,626
Accrued employee compensation and benefits	1,260	1,009	3,944
Accrued professional fees	868	968	3,082
Total	$ 6,000	$ 4,592	$ 8,652

5. Debt

On April 30, 2020, the Company received loan proceeds in the amount of approximately $3.3 million under the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), provides for loans to qualifying businesses for amounts up to 2.5 times of the average monthly payroll expenses of the qualifying business. All or portion of this loan and any accrued interest was eligible to be forgiven after a twenty four week period as long as the borrower used the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of the loan forgiven was to be reduced if the borrower terminated employees or reduced salaries during the twenty four week period. The unforgiven portion of the PPP loan was to be payable over two years at an interest rate of 1%, with a deferral of payments for the first ten months. On May 25, 2021 forgiveness of the PPP loan was approved and the Company recognized a gain from loan extinguishment in the amount of $3,284 during the six months ended June 30, 2021.

Unaudited

In March 2021, the Company entered into a term loan agreement with Silicon Valley Bank and SVB Innovation Credit Fund VIII, L.P., which provides a term loan facility of up to $50.0 million with a maturity date of March 1, 2025, or the Loan Agreement. The Company’s obligations under the Loan Agreement are secured by substantially all of its assets except for its intellectual property. The Loan Agreement contains certain customary covenants, including, but not limited to, those relating to additional indebtedness, liens, asset divestitures, and affiliate transactions. If a minimum liquidity amount is not maintained, 50% of the outstanding principal and interest will become cash collateralized. As of June 30, 2021 (unaudited), the Company was in compliance with all covenants. On July 9, 2021 (unaudited) the Company had not yet achieved certain financial covenants and $10.0 million of the loan proceeds has been classified as restricted cash. The Company met these financial covenants upon the close of the Merger and the related PIPE Investment on August 26, 2021 (unaudited). The Company may use the proceeds of borrowings under the Loan Agreement as working capital and to fund its general business requirements. Refer to Note 15 – Subsequent Events for additional information.

The Loan Agreement provides that the term loans will be distributed in tranches. The initial term loan tranche of $20.0 million was drawn as of June 30, 2021 (unaudited) and is accounted for net of issuance costs which are being accreted to interest expense over the term of the loan using the effective interest method. Three subsequent $10.0 million term loan tranches are eligible to be disbursed at the request of the Company during specified draw periods between now and 2023 if certain business development milestones and other specified requirements are met by the dates specified in the Loan Agreement. Borrowings bear interest at the greater of 7.5% or the Wall Street Journal Prime Rate plus 4.25% (7.5% as of June 30, 2021) (unaudited). Interest only payments on the principal amount outstanding are due monthly beginning in the first month after the loan is dispersed. Repayment of principal may begin as soon as April 1, 2022 under our current level of borrowing and no later than April 1, 2024, depending on whether the Company qualifies for and elects to borrow the subsequent tranches of term loans. The term loans may only be prepaid in full, and such prepayment requires 30 days' advance notice and is subject to a prepayment fee of 3.00% (with a step down to 2.00% after March 30, 2022, and a further step down to 1.00% after March 30, 2023). The Company is not obligated to pay a prepayment fee if the Company makes a prepayment after March 30, 2024.

In connection with the Loan Agreement, Humacyte granted warrants to purchase shares of Humacyte common stock at an exercise price of $2.699 per share (unaudited) of which 1,095,616 warrants were immediately exercisable (unaudited) and the remaining 469,550 will become exercisable upon the funding of an additional $10 million tranche (unaudited). The warrants are classified within stockholders' equity as the settlement of the warrants is indexed to the Company's own stock. The Company recognized the fair value of the warrants immediately exercisable within stockholders' equity using a Black-Scholes valuation model at issuance. The Company has determined that the funding of an additional tranche is not probable, and therefore no value was ascribed at issuance to the warrants that are only exercisable upon the funding of the additional tranche. The fair value of warrants ($2.4 million), a 5% final payment fee ($1.0 million) and debt issuance costs ($0.3 million) are being accreted to interest expense over the term of the loan using the effective interest method.

SVB loan payable and net discount or premium balances are as follows:

($ in thousands)	**June 30, 2021**	**December 31, 2020**
	(Unaudited)	
Principal amount of SVB loan payable	$ 20,000	$ -
Final payment amount of SVB loan payable	1,000	-
Net premium associated with accretion of final payment and other debt issuance costs	(3,388)	-
SVB loan payable, current and noncurrent	17,612	-
Less SVB loan payable, current portion	(2,222)	-
SVB loan payable, noncurrent portion	$ 15,390	$ -

Future minimum payments of principal and estimated payments of interest on the Company's outstanding variable rate borrowings as of June 30, 2021 (unaudited) are as follows:

Year ending December 31:	*($ in thousands)*
2021 (remainder)	$ 767
2022	6,917
2023	7,532
2024	7,026
2025	2,122
Total future payments	24,364
Less amounts representing interest	(3,364)
Less final payment	(1,000)
Total principal amount of SVB loan payments	$ 20,000

6. Leases

The Company's finance lease relates to its headquarters, which was substantially completed in June 2018 and leased through May 2033, and its operating lease relates to the land lease associated with its headquarters. Historically the Company's operating leases included a lease for laboratory and office space in Ohio. In March 2020, the Company terminated this lease, effective September 30, 2020, and paid termination fees of less than $0.1 million.

At December 31, 2019 and 2020, and June 30, 2021 (unaudited), the Company had finance lease liabilities of $26.3 million, $24.8 million and $24.0 million, respectively; right-of-use assets of $25.6 million, $23.5 million and $22.5 million, respectively; operating lease liabilities of $0.9 million, $0.8 million and $0.7 million, respectively; and right-of-use assets of $0.9 million, $0.8 million and $0.7 million, respectively, all of which were included in the balance sheet.

The Company's leases do not require any contingent rental payments, impose any financial restrictions, or contain any residual value guarantees. Certain of the Company's leases include renewal options and escalation clauses;
renewal options have been included in the calculation of the lease liabilities and right of use assets as the Company is reasonably certain to exercise the options due to the specialized nature of the leased building. Variable expenses generally represent the Company's share of the landlord's operating expenses. The Company does not act as a lessor in any lease arrangements.

The following summarizes quantitative information about the Company's leases:

	Year Ended December 31, 2019		Year Ended December 31, 2020		Six Months Ended June 30, 2020 (Unaudited)		Six Months Ended June 30, 2021 (Unaudited)	
($ in thousands)	Finance Leases	Operating Leases	Finance Leases	Operating Leases	Finance Leases	Operating Leases	Finance Leases	Operating Leases
Operating cash flows from leases	$ (2,298)	$ (137)	$ (2,180)	$ (182)	$ (1,106)	$ (89)	$ (525)	$ (53)
Financing cash flows from leases	$ (1,292)	$ -	$ (1,500)	$ -	$ (722)	$ -	$ (834)	$ -
Weighted-average remaining lease term	6.02	6.38	5.52	6.24	6.04	6.43	5.26	5.98
Weighted-average discount rate	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%

As of December 31, 2020, the maturities of the Company's lease liabilities were as follows:

($ in thousands)	Finance Leases	Operating Leases
Year Ended December 31, 2021	$ 3,773	$ 105
Year Ended December 31, 2022	3,868	105
Year Ended December 31, 2023	3,965	105
Year Ended December 31, 2024	4,065	106
Year Ended December 31, 2025	4,167	106
Thereafter	16,937	678
Total	36,775	1,205
Less: present value discount	(11,956)	(436)
Lease liabilities	$ 24,819	$ 769

7. Redeemable Convertible Preferred Stock

Redeemable Convertible Preferred Stock and Preferred Stock Terms

The Company has outstanding series A redeemable convertible preferred stock, series B redeemable convertible preferred stock, series C redeemable convertible preferred stock and series D redeemable convertible preferred stock, which are collectively referred to as "redeemable convertible preferred stock." The series A redeemable convertible preferred stock, series B redeemable convertible preferred stock and series C redeemable convertible preferred stock are individually and collectively referred to as "junior" series of preferred stock.

As of December 31, 2019, December 31, 2020, June 30, 2020 (unaudited) and June 30, 2021 (unaudited), redeemable convertible preferred stock consisted of the following (in thousands, except share amounts):

	Redeemable Convertible Preferred Stock Authorized	Redeemable Convertible Preferred Stock Issued and Outstanding	Carrying Value	Liquidation Preference	Issuance Price
Series A redeemable convertible preferred stock	70,152,805	70,152,805	$ 74,079	$ 74,079	$ 1.05596
Series B redeemable convertible preferred stock	91,919,158	91,919,158	127,358	136,500	$ 1.485
Series C redeemable convertible preferred stock	42,808,219	42,808,208	70,704	75,000	$ 1.752
Series D redeemable convertible preferred stock	60,216,780	60,216,780	148,848	150,000	$ 2.491
	265,096,962	265,096,951	$ 420,989	$ 435,579	

In connection with the series D redeemable convertible preferred stock financing, the Company granted Fresenius Medical Care the right to purchase up to an aggregate of $30.0 million of its common stock in a private placement effected concurrently with its initial public offering at a price per share equal to the initial public offering price. See Note 13: Related Party Transactions for further discussion of the Company's relationship with Fresenius Medical Care.

Election of Directors

The holders of the series A redeemable convertible preferred stock and the series B redeemable convertible preferred stock may designate one individual and two individuals, respectively, to the Board of Directors. The holders of the series C redeemable convertible preferred stock may designate one individual to the Board of Directors and Fresenius Medical Care may designate one representative to attend, in a non-voting observer capacity, all meetings of the Company's Board of Directors.

Conversion to Common Stock

Each share of redeemable convertible preferred stock is convertible, at the option of the holder thereof, into that number of the fully paid and nonassessable shares of common stock determined by dividing the original issue price for the relevant shares by the conversion price. Each share of redeemable convertible preferred stock will automatically be converted into that number of fully-paid, nonassessable shares of common stock at the then effective conversion rate for such shares (i) immediately prior to the closing of a firm commitment underwritten public offering on the New York Stock Exchange or a Nasdaq market pursuant to an effective registration statement filed under the Securities Act of 1933, as amended, if the offering price is not less than $2.7401 per share (as adjusted for any stock dividend, stock split, combination of shares, reorganization, recapitalization, reclassification or other similar event) and the aggregate gross proceeds to the Company are not less than $100.0 million (before deduction of commissions and expenses), (ii) with respect to the series C redeemable convertible preferred stock, series B redeemable convertible preferred stock and series A redeemable convertible preferred stock, upon the receipt by the Company of a written request for such conversion from the holders of at least 60% of such series of redeemable convertible preferred stock then outstanding and at least 60% of the then outstanding shares of series C redeemable convertible preferred stock or (iii) with respect to the series D redeemable convertible preferred stock, upon the receipt by the Company of a written request for such conversion from the holders of a majority of the then outstanding shares of series D redeemable convertible preferred stock.

The following are the conversion prices for each series of the redeemable convertible preferred stock as of December 31, 2020 and June 30, 2021 (unaudited):

Series	Conversion Price
Series A redeemable convertible preferred stock	$ 1.05596
Series B redeemable convertible preferred stock	$ 1.485
Series C redeemable convertible preferred stock	$ 1.752
Series D redeemable convertible preferred stock	$ 2.491

These conversion prices are subject to adjustment from time to time including for certain share issuances made without consideration or for consideration less than the then applicable conversion price of a series of redeemable convertible preferred stock, dividends, stock splits, and combinations. As of December 31, 2020 and June 30, 2021 (unaudited), each series of redeemable convertible preferred stock is convertible on a one-for-one basis.

The series A, series B, series C and series D redeemable convertible preferred stock includes an anti-dilution feature that adjusts the conversion price, in certain scenarios, if the Company sells shares at a price below the stated conversion price. The anti-dilution provision is considered a contingent beneficial conversion feature. Due to the inability of the Company to determine the price of the shares sold, the Company is unable to determine the number of shares that the holder would receive if the contingency occurs. Therefore, the beneficial conversion feature is not recognized until the contingent event occurs.

Dividends

Any dividends on the redeemable convertible preferred stock are not cumulative. The holders of the redeemable convertible preferred stock are entitled to receive dividends pro rata with the holders of common stock on an as-converted basis, when and if declared and paid by the Board of Directors, out of any assets at the time legally available. Any declared and unpaid dividends on the redeemable convertible preferred stock are payable upon certain voluntary or involuntary acquisition or sale transactions or the liquidation, dissolution or winding up of the Company as described below under “Liquidation,” and no dividends may be made with respect to the common stock unless all dividends declared on the redeemable convertible preferred stock have been paid or set aside for payment.

Liquidation

In the event of certain voluntary or involuntary acquisition or sale transactions or upon the liquidation, dissolution or winding up of the Company, each, a Reorganization, in which the holders of the series D redeemable convertible preferred stock receive less than $2.491 per share plus any declared but unpaid dividends, referred to as the Series D Liquidation Preference, or such lesser amount approved in writing by the holders of a majority of the then outstanding series D redeemable convertible preferred stock, the series D stockholders will receive the series D liquidation preference before the holders of the series C, series B, series A redeemable convertible preferred stock or common stockholders would receive any proceeds relating to such Reorganization, and the entire assets of the Company available for distribution would be distributed pro rata among holders of the series D redeemable convertible preferred stock. In the event that, after the payment to the holders of the series D redeemable convertible preferred stock, the holders of the series C redeemable convertible preferred stock would receive less than $1.752 per share plus any declared but unpaid dividends or such lesser amount approved by the holders of at least 80% of the then outstanding series C redeemable convertible preferred stock, the entire remaining assets of the Company available for distribution would be distributed pro rata among holders of the series C redeemable convertible preferred stock. In the event that, after the payment to the holders of the series D redeemable convertible preferred stock and series C redeemable convertible preferred stock, the holders of the series B redeemable convertible preferred stock would receive less than $1.485 per share plus any declared but unpaid dividends or such lesser amount approved by the holders of a majority of the then outstanding series B redeemable convertible preferred stock, the entire remaining assets of the Company available for distribution would be distributed pro rata among holders of the series B redeemable convertible preferred stock. However, in the event of any Reorganization, if the holders of the series D redeemable convertible preferred stock, series C redeemable convertible preferred stock or series B redeemable convertible preferred stock would receive less than 1.25 times their respective liquidation preference per share, the holders of each such series will be entitled to receive, in preference to any distribution of assets to the holders of any junior series, an amount per share equal to 1.25 times such liquidation preference.

In the event that, after the payment to the holders of the series D redeemable convertible preferred stock, series C redeemable convertible preferred stock and series B redeemable convertible preferred stock described above, the holders of the series A redeemable convertible preferred stock would receive less than $1.05596 per share plus any declared but unpaid dividends or such lesser amount approved by the holders of a majority of the then outstanding series A redeemable convertible preferred stock, the entire remaining assets of the Company available for distribution would be distributed pro rata among holders of the series A redeemable convertible preferred stock. After payment to the holders of preferred stock, the remaining assets of the Company available for distribution would be distributed pro rata among the holders of preferred stock and common stock with the preferred stock being treated as if they had been converted to common stock at the then applicable conversion rate.

Voting

Except as provided in the Company's certificate of incorporation and as required by law, the holders of the redeemable convertible preferred stock vote with the holders of common stock on an as-converted basis. Preferred stockholders will generally vote together with the holders of common stock as a single class but also have class vote approval rights as provided by law and others as specified in the Company's certificate of incorporation.

Redemption and Balance Sheet Classification

In accordance with the Company's accounting policy, the series A, series B, series C and series D redeemable convertible preferred stock was classified as temporary equity due to the fact that liquidation is not solely within the control of the Company. As of December 31, 2020 and June 30, 2021 (unaudited), liquidation of the series A, series B, series C and series D redeemable convertible preferred stock was not probable because the change in control events (acquisition, sale or asset transfer) that would lead to liquidation are contingent upon events that have not yet occurred and are not considered probable at this time. The Company has not adjusted the carrying value of the redeemable convertible preferred stock to its liquidation preference because a deemed liquidation event obligating the Company to pay the liquidation preference to holders of shares of redeemable convertible preferred stock is not probable of occurring. Subsequent adjustments of the carrying values to the liquidation preference will be made only when it becomes probable that such a deemed liquidation event will occur.

8. Stockholders' Deficit

Common Stock

As of December 31, 2019 and 2020, and June 30, 2021 (unaudited), the Company's certificate of incorporation, as amended, authorized the Company to issue 340,216,780 shares of common stock, respectively, at a par value of $0.001 per share. The number of authorized shares of common stock may be increased or decreased (but not below the number of shares thereof then outstanding or reserved for issuance) by the affirmative vote of the holders of a majority (assuming the conversion of all redeemable convertible preferred stock into shares of the Company's common stock) of the capital stock of the Company entitled to vote and without a separate class vote of the common stock.

The holders of common stock are entitled to receive dividends from time to time as may be declared by the Board of Directors. No cash dividend may be declared or paid to common stockholders until paid on each series of outstanding redeemable convertible preferred stock in accordance with its terms. Through December 31, 2020 and June 30, 2021 (unaudited), no dividends have been declared.

The holders of common stock are entitled to one vote for each share held with respect to all matters voted on by the common stockholders of the Company. Preferred stockholders generally vote together with the holders of common stock as a single class but also have class vote approval rights as provided by law and others as specified in the Company's certificate of incorporation.

In the event of a Reorganization of the Company, after payment to the preferred stockholders of their liquidation preferences, holders of common stock are entitled, together with holders of redeemable convertible preferred stock, to share ratably in all remaining assets of the Company.

As of December 31, 2019 and 2020 and June 30, 2021 (unaudited), the Company had reserved common stock for future issuances as follows:

	December 31,		June 30,
	2019	2020	2021
			(Unaudited)
Conversion of Series A redeemable convertible preferred stock	70,152,805	70,152,805	70,152,805
Conversion of Series B redeemable convertible preferred stock	91,919,158	91,919,158	91,919,158
Conversion of Series C redeemable convertible preferred stock	42,808,219	42,808,219	42,808,219
Conversion of Series D redeemable convertible preferred stock	60,216,780	60,216,780	60,216,780
Exercise of options under stock plan	19,880,073	18,330,574	24,831,266
Issuance of options under stock plan	10,422,521	11,228,478	4,391,144
Warrant to purchase common stock	125,520	125,520	1,095,616
	295,525,076	294,781,534	295,414,988

Warrants

In conjunction with a long-term debt agreement entered into on March 15, 2006 and paid in full during 2011, the Company issued a warrant that gave the holder the right to purchase 125,520 shares of the Company's common stock at an exercise price of $0.30 per share, which was outstanding as of December 31, 2019 and 2020. The warrant was fully exercised on March 4, 2021 (unaudited). There was no activity for the warrant during the years ended December 31, 2019 and 2020.

In conjunction with the Loan Agreement entered into on March 30, 2021, the Company issued warrants that gave the holders the right to purchase 1,095,616 shares of the Company's common stock at an exercise price of $2.699 per share, which was outstanding as of June 30, 2021 (unaudited). Under the terms of the warrant agreement, warrants to purchase an additional 469,550 shares of the Company's common stock at an exercise price of $2.699 per share are exercisable upon funding of an additional loan advance (unaudited).

9. Stock-based Compensation

The Company has adopted the 2015 Omnibus Incentive Plan, as amended, or the 2015 Plan, which allows for the grant of nonstatutory stock options, or NSOs, and incentive stock options, or ISOs, stock appreciation rights, restricted stock, restricted stock units and unrestricted stock awards to employees, officers, directors, and consultants in the service of the Company. The Company believes that such awards aid in aligning the interests of these persons with those of its stockholders. The Board of Directors determines the specific terms of equity incentive grants, including the exercise price per share and vesting period for option awards. Option awards are granted with an exercise price equal to the fair market value of the Company's common stock at the date of grant.

The Company has granted options that include either a service-based or performance-based vesting condition and a 10-year contractual term. The service-based vesting condition is generally satisfied over 36 months from the date of grant. The performance-based vesting conditions are satisfied upon the attainment of certain product development milestones. The Company recognizes stock-based compensation expense based on the grant date fair value of the awards. Compensation expense related to awards with service-based vesting conditions is recognized on a straight-line basis over the requisite service period. Compensation expense related to awards with performance-based vesting conditions is recognized over the requisite service period using the accelerated attribution method to the extent achievement of the performance-based condition is probable. The Company does not recognize compensation expense related to awards with performance-based vesting conditions until it is probable that the performance-based vesting condition will be achieved. Forfeitures are accounted for as they occur.

Option awards under the 2015 Plan generally provide for accelerated vesting of the unvested portions of any option award in the event of an involuntary termination, as such term is defined in the relevant stock option agreement, of a grantee's employment during the period that commences 30 days prior to the effective date of a corporate transaction and that ends 12 months following the effective date of such transaction. Additionally, the Company's board of directors may, in its sole discretion, accelerate the vesting of any unvested stock options in the event of a corporate transaction.

In connection with the termination of Mr. Blankenship's employment with the Company as of May 14, 2021, the Company entered into a severance agreement and release (the "Severance Agreement") with Mr. Blankenship, effective May 17, 2021, which provides for the terms and conditions of Mr. Blankenship's separation from Humacyte. The Severance Agreement (unaudited) provides that all unvested stock options granted to Mr. Blankenship under the stock option agreement dated December 18, 2018 will become fully vested and exercisable. Any stock options granted to Mr. Blankenship under any other stock option agreement that did not vest on or before the separation date are forfeited. Additionally, Mr. Blankenship received an extension of time to exercise vested options until September 1, 2022. The Company accounted for this as a modification of an award and recognized the associated expense in the six months ended June 30, 2021.

The Company used the following assumptions on the date of grant to estimate the fair value of the stock options in the Black-Scholes option-pricing model as follows:

	Year Ended December 31,		Six Months Ended June 30,	
	2019	2020	2020	2021
			(Unaudited)	(Unaudited)
Estimated dividend yield	0%	0%	0%	0%
Expected share price volatility	70.1% - 87.7%	89.4% - 91.6%	89.4% - 91.4%	91.0% - 92.1%
Risk-free interest rate	1.76% - 2.46%	0.34% - 0.75%	0.39% - 0.75%	0.62% - 1.02%
Expected term of options (in years)	6.00	6.00	6.00	6.00

9. Stock-based Compensation (cont.)

- *Fair Value of Common Stock.* As the Company's common stock has not historically been publicly traded, the fair value of the shares of its common stock underlying the options has historically been determined by the Company's board of directors with input from management, after considering independent third-party valuation reports.

- *Expected Term.* The expected term represents the period that stock options are expected to be outstanding. The Company calculated the expected term using the simplified method for options, which is available where there is insufficient historical data about exercise patterns and post-vesting employment termination behavior. The simplified method is based on the vesting period and the contractual term for each grant, or for each vesting-tranche for awards with graded vesting. The mid-point between the vesting date and the maximum contractual expiration date is used as the expected term under this method. For awards with multiple vesting-tranches, the times from grant until the mid-points for each of the tranches may be averaged to provide an overall expected term.

- *Expected Volatility.* The expected volatility was based on the historical share volatility of several publicly traded peer companies over a period of time equal to the expected term of the options, as the Company does not have any trading history to use the volatility of its common stock. For purposes of identifying these peer companies, the Company considered the industry, stage of development, size and financial leverage of potential comparable companies.

- *Risk-Free Interest Rate.* The risk-free interest rate was based on the yields of US Treasury zero-coupon securities with maturities similar in duration to the expected term of the options.

- *Expected Dividend Yield.* The Company has not paid dividends on its common stock nor does it expect to pay dividends in the foreseeable future. Accordingly, the Company has estimated the dividend yield to be zero.

At December 31, 2020 and June 30, 2021 (unaudited), there were 11,228,478 and 4,391,144 options remaining available for grant under the 2015 Plan. The Company has sufficient authorized and unissued shares to make all issuances currently available under the 2015 Plan.

The following tables show a summary of stock-based compensation expense included in the statements of operations and comprehensive loss for the years ended December 31, 2019 and 2020, and the six months ended June 30, 2020 and 2021 (unaudited), and remaining unrecognized cost as of December 31, 2019 and 2020 and June 30, 2021 (unaudited):

	Year Ended December 31,		For the Six Month Ended June 30,	
($ in thousands)	**2019**	**2020**	**2020**	**2021**
			(Unaudited)	(Unaudited)
Research and development	$ 914	$ 1,135	$ 473	$ 1,351
General and administrative	3,543	3,559	1,823	4,107
Total	$ 4,457	$ 4,694	$ 2,296	$ 5,458

	As of December 31,		June 30
($ in thousands)	**2019**	**2020**	**2021**
			(Unaudited)
Unrecognized share-based compensation cost	$ 7,919	$ 5,789	$ 14,496
Expected weighted average period compensation costs to be recognized (years)	1.8	1.7	2.3

A summary of option activity under the 2015 Plan during the years ended December 31, 2019 and 2020 and the six months ended June 30, 2021 (unaudited) is presented below:

	Number of Shares	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in thousands)
Options outstanding at December 31, 2018	21,473,871	$ 1.23	7.4	$ 21,354
Granted	2,365,100	$ 2.23		
Exercised	(2,364,227)	$ 0.52		
Forfeited	(1,594,671)	$ 2.00		
Options outstanding at December 31, 2019	19,880,073	$ 1.37	6.5	$ 17,044
Granted	1,831,700	$ 2.57		
Exercised	(743,542)	$ 0.41		
Forfeited	(2,637,657)	$ 0.99		
Options outstanding at December 31, 2020	18,330,574	$ 1.59	6.6	$ 20,422
Vested and exercisable, December 31, 2020	12,918,751	$ 1.31	5.9	$ 17,925
Vested and expected to vest, December 31, 2020	18,330,574	$ 1.59	6.6	$ 20,422

	Number of Shares	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in thousands)
Options outstanding at December 31, 2020	18,330,574	$ 1.59	6.6	$ 20,422
Granted (unaudited)	6,999,500	$ 2.70		
Exercised (unaudited)	(336,642)	$ 0.59		
Forfeited (unaudited)	(162,166)	$ 1.78		
Options outstanding at June 30, 2021 (unaudited)	24,831,266	$ 1.91	6.85	$ 19,567
Vested and exercisable, June 30, 2021 (unaudited)	15,803,754	$ 1.48	5.34	$ 19,194
Vested and expected to vest, June 30, 2021 (unaudited)	24,831,266	$ 1.48	6.85	$ 19,567

The total intrinsic value of options exercised during the years ended December 31, 2019 and 2020 and the six months ended June 30, 2020 and 2021 (unaudited) was $4.0 million, $1.4 million, $1.1 million and $0.7 million, respectively.

The weighted-average grant-date fair value per share of options granted during the years ended December 31, 2019 and 2020 and the six months ended June 30, 2020 and 2021 (unaudited) was $2.23, $2.57, $2.23 and $2.70, respectively.

10. Income Taxes

The Company did not record any income tax expense or benefit during the years ended December 31, 2019 and 2020. The Company has a net operating loss and has provided a valuation allowance against net deferred tax assets due to uncertainties regarding the Company's ability to realize these assets. All losses before income taxes arose in the US.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and deferred tax liabilities, including valuation allowances, are as follows:

($ in thousands)	As of December 31, 2019	As of December 31, 2020
Deferred tax assets:		
Net operating loss	$ 50,616	$ 53,515
Capitalized research and development	19,660	32,337
Research credits	10,658	15,056
Share-based compensation	1,669	2,519
Right of use lease liability	207	177
Accrued expenses	71	57
Other	1	1
Total deferred tax asset	82,882	103,662
Less: valuation allowance	(82,193)	(101,757)
Total net deferred tax asset	689	1,905
Deferred tax liabilities:		
Basis difference in fixed assets	(482)	(1,728)
Right of use lease assets	(207)	(177)
Total deferred tax liability	(689)	(1,905)
Total net deferred tax asset/(liability)	$ -	$ -

A valuation allowance is provided for deferred tax assets where the recoverability of the assets is uncertain. The determination to provide a valuation allowance is dependent upon the assessment of whether it is more likely than not that sufficient future taxable income will be generated to utilize the deferred tax assets. Based on the weight of the available evidence, which includes the Company's historical operating losses, lack of taxable income and the accumulated deficit, the Company provided a full valuation allowance against the deferred tax assets resulting from the tax loss and credits carried forward as of December 31, 2019 and December 31, 2020.

The reasons for the difference between the actual income tax benefit for the years ended December 31, 2019 and 2020, and the amount computed by applying the statutory Federal income tax rate to losses before income taxes are as follows:

	December 31,			
	2019		2020	
($ in thousands)	Amount	Rate	Amount	Rate
Income tax benefit at statutory rate	$ (17,939)	21.0%	$ (13,970)	21.0%
State income taxes, net of federal benefit	(1,739)	2.0%	(1,338)	2.0%
Tax credits	(1,821)	2.1%	(2,625)	3.9%
Other nondeductible expenses	54	0.0%	90	(0.1%)
Deferred rate changes	16	0.0%	16	0.0%
Other	449	(0.5%)	(1,736)	2.6%
Change in valuation allowance	20,980	(24.6%)	19,563	(29.4%)
Provision for income taxes	$ -	0.0%	$ -	0.0%

As of December 31, 2020 the Company had approximately $232.7 million and $232.6 million of Federal and state net operating losses, respectively. Of this amount, $71.5 million of Federal net operating losses are carried over indefinitely, while the remaining amount begins to expire in 2025. The Company's net operating loss carryforwards are subject to the application of the 80% limitation on taxable income beginning in 2021. Some of these state net operating losses included in these amounts follow the Federal Tax Cuts and Jobs Act and are carried over indefinitely, and others have various expiration dates.

As of December 31, 2019 and December 31, 2020 the Company had Federal and state research tax credit carryforwards of $10.7 million and $15.1 million, respectively. These credit carryforwards begin to expire in 2021.

Net operating loss carryforwards and tax credit carryforwards are subject to review and possible adjustment by the Internal Revenue Service, or IRS, and may become subject to an annual limitation in the event of certain cumulative changes in the ownership interest of significant stockholders or groups over a three-year period in excess of 50% as defined under Sections 382 and 383 in the Internal Revenue Code, which could limit the amount of tax attributes that can be utilized annually to offset future taxable income or tax liabilities. The amount of the annual limitation is determined based on the value immediately prior to the ownership change. Subsequent ownership changes may further affect the limitation in future years. The Company has not determined whether there have been any cumulative ownership changes or the impact on the utilization of the loss carryforwards if such changes have occurred.

The Company applies the accounting guidance for uncertainties in income taxes, which prescribes a recognition threshold and measurement process for recording uncertain tax positions taken, or expected to be taken, in a tax return in the financial statements. Additionally, the guidance also prescribes the treatment for derecognition, classification, accounting in interim periods and disclosure requirements for uncertain tax positions. The Company accrues for the estimated amount of taxes for uncertain tax positions if it is more likely than not that the Company would be required to pay such additional taxes.

On March 27, 2020, the CARES Act was passed by the U.S. Congress and signed into United States law. The CARES Act, among other things, includes certain provisions for individuals and corporations (including a suspension on the application of the 80% limitation described above for taxable years beginning prior to January 1, 2021); however, these benefits did not materially impact the Company's income tax provision in the periods presented.

The Company's effective federal tax rate for the six months ended June 30, 2021 (unaudited) was 0%, primarily as a result of estimated tax losses for the fiscal year to date offset by the increase in the valuation allowance in the net operating loss carryforwards. The Company's tax provision for interim periods is determined using an estimate of its annual effective tax rate, adjusted for discrete items, if any, that arise during the period. Each quarter, the Company updates its estimate of the annual effective tax rate and, if the estimated annual effective tax rate changes, the Company makes a cumulative adjustment in such period. No adjustment was made as of June 30, 2021 (unaudited).

11. Retirement Plan

The Company maintains two defined contribution employee retirement plans, or 401(k) plans, for all employees upon their date of hire. The 401(k) plans are intended to qualify as tax-qualified plans under Section 401(k) of the Internal Revenue Code of 1986, as amended. The plans permit employees to contribute, on a pre-tax basis, a portion of their salary up to the Federally mandated limits. The Company matches an employee's contribution up to 4% of the employee's compensation. Contributions to the plans by the Company totaled $0.6 million for the year ended December 31, 2019, $0.6 million for the year ended December 31, 2020 and $0.3 million and $0.3 million for the six months ended June 30, 2020 and 2021 (unaudited), respectively.

12. Commitments and Contingencies

Patent License Agreements

Duke University

In March 2006, the Company entered into a license agreement with Duke University, or Duke, which was subsequently amended in 2011, 2014, 2015, 2018 and 2019. Under this license agreement, Duke granted the Company a worldwide, exclusive, sublicensable license to certain patents related to decellularized tissue engineering, referred to as the patent rights, as well as a non-exclusive license to use and practice certain know-how related to the patent rights. The relevant licensed patent on decellularization of tissue will expire in 2021. The Company has agreed to use commercially reasonable efforts to develop, register, market and sell products utilizing the patent rights, referred to as the licensed products. Any services provided to a third party utilizing licensed products are referred to as licensed services. The Company has also agreed to meet certain benchmarks in its development efforts, including as to development events, clinical trials, regulatory submissions and marketing approval, within specified timeframes. Under the license agreement, Duke retains the right to use the patent rights for its own educational and research purposes, and to provide the patent rights to other non-profit, governmental or higher-learning institutions for non-commercial purposes without paying royalties or other fees.

In connection with the Company's entry into the license agreement, the Company granted equity consideration to Duke in the form of 200,666 shares of the Company's common stock. Under the license agreement, the Company also agreed to pay Duke:

- a low single-digit percentage royalty on eligible sales of licensed products and licensed services, plus a low double-digit percentage of any sublicensing revenue;

- an annual minimum royalty beginning in 2012, which increases in the calendar year immediately following the first commercial sale of licensed products or licensed services (whichever occurs first); and

- an additional amount in license fees, as certain milestones are met.

The license agreement remains effective until the last of the patent rights expires or four years after our first commercial sale, unless earlier terminated. Either party may terminate the agreement for fraud, willful misconduct or illegal conduct, or uncured material breach. Duke may terminate the agreement if the Company becomes insolvent. Duke may also terminate the license, convert the license into a non-exclusive license or seek assignment of any sublicense if the Company fails to reach diligence milestones within the applicable time period. If the Company abandons any claim, patent or patent application, its rights under the license with respect to such patent rights will be terminated in the territory in which the Company abandons such rights. The Company may terminate the license agreement unilaterally upon three months' prior notice to Duke. The Company agrees to indemnify Duke against certain third-party claims. Payments to Duke under the license agreement were immaterial during the periods presented.

Yale University

In February 2014, the Company entered into a license agreement with Yale University, or Yale, that granted the Company a worldwide license to the patents related to coatings for small-diameter vessels to inhibit clotting. The license granted under the agreement is exclusive in the field of engineered vascular tissues and tissues and extracellular matrix-based implants used for vascular repair, reconstruction and replacement (provided that all uses are vascular tissues within the range of 1-12mm in diameter), except that it is subject to Yale's non-exclusive right, on behalf of itself and all other non-profit academic institutions, to use the licensed products for research, teaching, and other non-commercial purposes. The Company has agreed to pay to Yale an annual maintenance fee, increasing between the first and fourth anniversaries of the agreement up to a maximum of less than $0.1 million per year for this license.

In August 2019, the Company entered into a license agreement with Yale, that granted the Company a worldwide license to the patents related to Bioartificial Vascular Pancreas (BVP). The license granted under the agreement is exclusive in the field of engineered vascular tissues that deliver pancreatic islet cells to patients, except that it is subject to Yale's non-exclusive right, on behalf of itself and all other non-profit academic institutions, to use the licensed products for research, teaching, and other non-commercial purposes. The Company has agreed to pay to Yale an annual maintenance fee, increasing between the first and fourth anniversaries of the agreement up to a maximum of less than $0.1 million per year for this license.

In August 2019, the Company entered into a license agreement with Yale, that granted the Company a worldwide license to the patents related to tubular prostheses. The license granted under the agreement is exclusive in the field of engineered urinary conduits, engineered tracheas/airways, and engineered esophagi, except that it is subject to Yale's non-exclusive right, on behalf of itself and all other non-profit academic institutions, to use the licensed products for research, teaching, and other non-commercial purposes. The Company has agreed to pay to Yale an annual maintenance fee, increasing between the first and fourth anniversaries of the agreement up to a maximum of less than $0.1 million per year for this license.

The Company has agreed to use reasonable commercial efforts to develop and commercialize the licensed patents and any licensed products and methods, and to use reasonable efforts to make the licensed products available to patients in low and low-middle income countries. The Company is also obligated to provide Yale periodically an updated and revised copy of its plan for each license, which must indicate progress of its development and commercialization. The Company may also sublicense the Company's rights without Yale's prior written consent, but such sublicense is subject to certain conditions.

In connection with its entry into the license agreement, the Company paid Yale upfront cash fees. The Company has also agreed to pay Yale:

- annual maintenance fees, increasing between the first anniversary of the agreement until the fifth anniversary for the coating and BVP licenses and until the fourth anniversary for the tubular prostheses license up to a maximum of less than $0.1 million per year;
- milestone payments upon achievement of certain regulatory and commercial milestones of $0.2 million and $0.6 million;
- a low single-digit percentage royalty on worldwide net sales, subject to reductions for third-party license fees; and
- a low double-digit percentage of sublicensing income.

If the Company or any of its future sublicensees bring a patent challenge against Yale or assists another party in bringing a patent challenge against Yale, the license fees described above will be subject to certain increases and penalties.

The agreements expire on a country-by-country basis on the date on which the last of the patents in such country expires, lapses or is declared invalid. Yale may terminate the agreements if the Company fails to (i) provide written diligence reports, (ii) provide commercially reasonable diligence plans, (iii) implement the plans in accordance with the obligations under the agreements, or (iv) reach certain research and development milestones within the scheduled timeframe set forth in the agreements; however, any such termination right would be limited in scope to the country to which such failure relates. Yale may also terminate for the Company's non-payment, uncured material breach, failure to obtain adequate insurance, bringing or assisting in bringing of a patent challenge against Yale, abandonment of the research and development of the Company's products or insolvency. The Company may terminate the license agreements (i) on 90 days' prior written notice to Yale, provided the Company is not in breach of the license agreements and has made all required payments to Yale thereunder and (ii) on written notice to Yale following an uncured material breach. With respect to the license agreements related to small-diameter vessels and BVP, the Company's rights under the license agreements will also terminate automatically with respect to a patent application or patent within the licensed patents in a specified country if, upon receipt of written notice from Yale, the Company does not agree to pay the patent filing, prosecution and maintenance fees incurred by Yale for such patent applications or patents in the specified country. Under certain circumstances, Yale may, at its option, convert the exclusive licenses to non-exclusive licenses if the Company declines to initiate certain infringement or interference proceedings with respect to the licensed patents. The Company has agreed to indemnify Yale against certain third-party claims. Payments to Yale under the license agreement were immaterial during the periods presented.

Legal Matters

The Company currently is not aware of any legal proceedings or claims that management believes will have, individually or in the aggregate, a material adverse effect on the Company's business, financial condition, results of operations, or cash flows.

Indemnification

To the extent permitted under Delaware law, the Company has agreed to indemnify its directors and officers for certain events or occurrences while the director or officer is, or was serving, at the Company's request in such capacity. The indemnification period covers all pertinent events and occurrences during the director's or officer's service. The maximum potential amount of future payments the Company could be required to make under these indemnification arrangements is not specified in such arrangements; however, the Company has director and officer insurance coverage that is intended to reduce its exposure and enable the Company to recover a portion of any future amounts paid. The Company believes the estimated fair value of these indemnification arrangements in excess of applicable insurance coverage is immaterial.

13. Related Party Transactions

Fresenius Medical Care distribution agreement

In addition to Fresenius Medical Care's purchase of series D redeemable convertible preferred stock, the Company entered into a distribution agreement with Fresenius Medical Care in June 2018 which, as amended as of February 16, 2021, granted Fresenius Medical Care and its affiliates exclusive rights to develop outside the United States and EU and commercialize outside of the United States the Company's 6 millimeter x 42cm HAV and all improvements thereto, and modifications and derivatives thereof (including any changes to the length, diameter or configuration of the foregoing), for use in vascular creation, repair, replacement or construction, including renal replacement therapy for dialysis access, the treatment of peripheral arterial disease, and the treatment of vascular trauma, but excluding coronary artery bypass graft, pediatric heart surgery, or adhering pancreatic islet cells onto the outer surface of the distribution product for use in diabetic patients. Within the United States, Fresenius Medical Care will collaborate with the Company in its commercialization of the product in the field, including adoption of the distribution product as a standard of care in patients for which such use is supported by clinical results and health economic analyses.

The Company is responsible for developing and seeking regulatory approval for the distribution product in the field in the United States. For countries outside the United States, the parties agreed to use commercially reasonable efforts to satisfy certain agreed minimum market entry criteria for the distribution product in the field in such country. For the EU, once such criteria have been satisfied for the applicable country, or if the parties otherwise mutually agree to obtain regulatory approval for the distribution product in the field in the applicable country, the Company agreed to use commercially reasonable efforts to obtain such regulatory approval (other than pricing approval), and Fresenius Medical Care agreed to use commercially reasonable efforts to obtain the corresponding pricing approval. For the rest of the world (i.e., outside the United States and the EU), once such criteria have been satisfied for the applicable country, or if the parties otherwise mutually agree to obtain regulatory and pricing approval for the distribution product in the field in the applicable country, Fresenius Medical Care agreed to use commercially reasonable efforts to obtain such approvals, and the Company agreed to use commercially reasonable efforts to support Fresenius Medical Care in its efforts.

Under the distribution agreement, the Company grants an exclusive, sublicensable license to Fresenius Medical Care under the patents, know-how and regulatory materials controlled by the Company during the term to commercialize the distribution product in the field outside the United States, subject to the Company's retained rights to carry out its obligations under the distribution agreement. The Company also grants a non-exclusive, sublicensable license to Fresenius Medical Care under the patents, know-how and regulatory materials controlled by the Company during the term to develop the distribution product in accordance with the terms of the distribution agreement. In addition, the Company grants to Fresenius Medical Care, among other things, a perpetual, irrevocable, non-exclusive sublicensable license under the patents and know-how that primarily relate to the distribution product or its manufacture and that were created, conceived or developed solely or jointly by or on behalf of Fresenius Medical Care in the performance of its activities under the distribution agreement.

The distribution agreement provides that the Company will own all know-how and patents that primarily relate to the distribution product or its manufacture that are created, conceived or developed by or on behalf of either party in the performance of activities under the distribution agreement. Ownership of all other know-how, patents, materials and other intellectual property created, conceived or developed during the performance of activities under the distribution agreement will be determined in accordance with U.S. patent laws for determining inventorship.

The Company is obligated to make payments to Fresenius Medical Care based on a share of aggregate net sales by or on behalf of the Company of the distribution product in the United States in the field. Such revenue-share payments will be a percentage of net sales in the low double digits, without regard to the calendar year in which such net sales are attributable, until such time that the Company has paid to Fresenius Medical Care a certain total amount, at which time the revenue-share will decrease to a percentage of net sales in the mid-single digits. The amounts that Fresenius Medical Care will be obligated to pay the Company under the distribution agreement for sales of the distribution product in the field outside of the United States will vary. Fresenius Medical Care agreed to pay the Company initially, on a country-by-country basis for sales outside of the United States, the amount equal to the average cost of manufacturing the Company's distribution product plus a fixed dollar amount per unit. Following a specified period, on a country-by-country basis outside of the United States, Fresenius Medical Care will pay the Company a fixed percentage of net sales for each unit sold in such country, such that the Company will receive more than half of such net sales.

The distribution agreement will generally continue on a country-by-country basis until the later of (a) the tenth anniversary of the launch date of the distribution product in the relevant country or (b) the expiration of the last-to-expire valid claim of specified patents in such country. Each party is permitted to terminate the distribution agreement for insolvency of, or, under certain circumstances, including various cure periods, material breach by the other party. Subject to a cure period, Fresenius Medical Care may also terminate the distribution agreement in its entirety or on a country-by-country basis (i) for certain withdrawals of regulatory approval or (ii) for termination or expiration of any of our in-licenses that is necessary for the exercise of Fresenius Medical Care's rights, or the satisfaction of its obligations, under the distribution agreement. In addition, Fresenius Medical Care may terminate the distribution agreement for convenience on a country-by-country basis upon not less than 12 months' written notice to the Company, although Fresenius Medical Care is not permitted to give such notice prior to the end of the second year following launch of the distribution product in such country. Each party is required to indemnify one another for certain third-party claims.

Arrangements with Dr. Niklason and Yale University

In September 2016, the Company entered into a Memorandum of Understanding Regarding Scientific and Operational Leadership, or MOU, with Dr. Niklason in connection with her performance of various consulting activities for the Company.

The MOU provided for the Company to make a payment each year through 2023 to the academic institution with which Dr. Niklason was then affiliated, up to an aggregate amount of $2.5 million for 2018 through 2023, and to pay Dr. Niklason reasonable consulting fees in consideration of the services she performed for the Company. For the years ended December 31, 2019 and 2020, and the six months ended June 30, 2020 and 2021 (unaudited), the company made payments under the MOU of $0.4 million, $0.5 million, $0.3 million and $0.0 million, respectively, to, or on behalf of, Yale University, where Dr. Niklason, currently the Company's President, CEO and a member of the Company's board of directors, serves as a Professor Adjunct, Division Chief and Vice Chair, Research in Anesthesia. The MOU was terminated effective November 9, 2020.

The following table shows a summary of related party expenses included in the statements of operations and comprehensive loss for the years ended December 31, 2019 and 2020 and the six months ended June 30, 2020 and 2021 (unaudited):

	Year Ended December 31,		Six Months Ended June 30,	
($ in thousands)	**2019**	**2020**	**2020**	**2021**
			(Unaudited)	(Unaudited)
Expenses under MOU	422	500	250	-
License expenses	110	92	50	85
Other	39	28	13	81
Total	571	620	313	166

As of December 31, 2019, December 31, 2020 and June 30, 2021 (unaudited), the Company was a party to license agreements with Yale University, as described in Note 12 — Commitments and Contingencies above.

14. Subsequent Events

In preparing the financial statements for the years ended December 31, 2019 and 2020, the Company evaluated the effect subsequent events would have on the financial statements through March 22, 2021, which is the date the financial statements were issued.

Under the terms of her employment agreement, the Company awarded Dr. Niklason an additional stock option award in January 2021 entitling her to purchase 5,000,000 shares of the Company's common stock at an exercise price of $2.699 per share, none of which have vested as of the issuance date of these financial statements. This stock option vests in equal annual installments on each of the first three anniversaries of November 9, 2020, subject to acceleration upon a corporate transaction (as defined in the 2015 Plan). The vesting of this award will not accelerate upon finalization of the Merger (defined below).

On February 17, 2021, the Company entered into a business combination agreement with Alpha Healthcare Acquisition Corp. ("AHAC") and Hunter Merger Sub, Inc. ("Merger Sub"), a wholly owned subsidiary of AHAC, pursuant to which Merger Sub will merge with the Company, with the Company surviving the Merger as a wholly owned subsidiary of AHAC. As a result of the Merger, AHAC, will immediately be renamed Humacyte, Inc. ("New Humacyte"). Immediately prior to the consummation of the Merger, the Company's outstanding preferred stock will automatically convert into shares of the Company's common stock at the then-effective conversion ratio. In addition, concurrently with the completion of the Merger, certain investors have agreed to subscribe for and purchase an aggregate of $175 million of common stock of New Humacyte. The boards of directors of both AHAC and the Company have approved the proposed Merger. Completion of the Merger is subject to approval of AHAC's shareholders and the satisfaction or waiver of certain other customary closing conditions. The Company expects that the Merger will represent a business combination pursuant to FASB ASC Topic 805, Business Combinations and will be accounted for as a reverse recapitalization in accordance with GAAP. Under this method of accounting, AHAC will be treated as the acquired company for financial reporting purposes. This determination is primarily based on the fact that subsequent to the Merger, the Company's stockholders are expected to have a majority of the voting power of the combined company, the Company will comprise all of the ongoing operations of the combined company, the Company will comprise a majority of the governing body of the combined company, and the Company's senior management will comprise all of the senior management of the combined company. Accordingly, for accounting purposes, the Merger will be treated as the equivalent of the Company issuing shares for the net assets of AHAC, accompanied by a recapitalization. The net assets of AHAC will be stated at historical costs. No goodwill or other intangible assets will be recorded. Operations prior to the Merger will be those of the Company.

15. Subsequent Events (unaudited)

In preparing the unaudited interim financial statements as of June 30, 2021 and for the six months ended June 30, 2021, the Company evaluated the effect subsequent events would have on the financial statements through August 27, 2021, which is the date the unaudited interim financial statements were issued.

In connection with the First Amendment to the Loan and Security Agreement, dated June 30, 2021, by and among Silicon Valley Bank, SVB Innovation Credit Fund VIII, L.P. and Humacyte, Inc., $10.0 million of cash was classified as restricted cash on July 9, 2021, pursuant to the minimum liquidity provision of the agreement.

Humacyte, Inc.
Notes to Financial Statements

On August 26, 2021 (the "Closing Date"), the Company consummated the Merger with AHAC, where a subsidiary of AHAC merged with the Company, with the Company surviving the Merger as a wholly-owned subsidiary of AHAC. As a result of the business combination, AHAC was immediately renamed Humacyte, Inc. ("New Humacyte").

Pursuant to the terms of the business combination agreement, each outstanding share of the Company's common stock, par value $0.0001 per share, that was outstanding immediately prior to the closing of the Merger (the "Closing) converted into the right to receive 0.26260 shares of New Humacyte's common stock in exchange for each share of the Company's common stock held upon the Closing and the contingent right to receive certain Contingent Consideration Shares (as defined below). The preferred stock was converted into the right to receive the aggregate number of shares of New Humacyte's common stock that would be issued upon conversion of the underlying Company's common stock, multiplied by 0.26260 , as well as the contingent right to receive certain Contingent Consideration Shares. Each outstanding option and warrant to purchase the Company's common stock was converted into an option or warrant, as applicable, to purchase a number of shares of New Humacyte common stock equal to the number of shares of the Company's common stock subject to such option or warrant multiplied by 0.26260. In addition, certain investors purchased an aggregate of 17,500,000 shares of New Humacyte's common stock (such investors, the "PIPE Investors") concurrently with the Closing for an aggregate purchase price of $175 million.

Upon the Closing, 2,500,000 Class B shares of AHAC (Founder Shares) automatically converted into shares of New Humacyte, on a one-for-one basis.

In addition, pursuant to the terms of the business combination agreement, (1) warrants to purchase shares of capital stock of the Company were converted into warrants to purchase an aggregate of 287,704 shares of New Humacyte's common stock and (2) options to purchase shares of common stock of the Company were converted into options to purchase an aggregate of 6,405,130 shares of New Humacyte's common stock.

Including the $223.5 million in net proceeds from the Merger and the related PIPE Investment received on August 26, 2021 and the cash and cash equivalents on hand, the Company believes its combined cash and cash equivalents will be sufficient to fund operations, including clinical trial expenses and capital expenditure requirements for at least 12 months from August 27, 2021, the issuance date of these interim financial statements.

Subsequent to the Closing Date, eligible former equity holders of the Company may receive up to 15 million additional shares of New Humacyte's common stock (the "Contingent Consideration Shares") in the aggregate in two equal tranches of 7.5 million shares if the volume-weighted average closing sale price of our Common Stock is greater than or equal to $15.00 and $20.00 for any 20 trading days within any 30 consecutive trading day period. At the Closing on August 26, 2021, the Company recorded a liability ("Contingent Consideration Liability") of $147.7 million, based on the estimated fair value of the 15 million Contingent Consideration Shares with a corresponding reduction of additional paid-in capital in the equity section of the Company's consolidated balance sheet.

Exhibit 99.2

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

Defined terms included below have the same meaning as terms defined and included elsewhere in the Current Report, unless defined below. As used in this unaudited pro forma condensed combined financial information, "Humacyte" refers to Humacyte, Inc. prior to the Business Combination.

The unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S-X and presents the combination of the historical financial information of AHAC and Humacyte, adjusted to give effect to the Business Combination and the other events contemplated by the Business Combination Agreement. Unless otherwise indicated or the context otherwise requires, references to the "Combined Company" refer to New Humacyte and its consolidated subsidiaries after giving effect to the Business Combination.

The unaudited pro forma condensed combined balance sheet as of June 30, 2021 combines the historical balance sheet of AHAC as of June 30, 2021, and the historical balance sheet of Humacyte as of June 30, 2021, on a pro forma basis as if the Business Combination and the other events contemplated by the Business Combination Agreement had been consummated on June 30, 2021. The unaudited pro forma condensed combined statement of operations for the year ended December 31, 2020, combines the historical statements of operations of AHAC for the period from July 1, 2020 (inception) through December 31, 2020, and the historical statements of operations of Humacyte for the year ended December 31, 2020 on a pro forma basis as if the Business Combination, the other events contemplated by the Business Combination Agreement and the financing transaction had been consummated on January 1, 2020, the beginning of the earliest period presented. The unaudited pro forma condensed combined statement of operations for the six months ended June 30, 2021, combines the historical statements of operations of AHAC for the six months ended June 30, 2021, and the historical statements of operations of Humacyte for the six months ended June 30, 2021 on a pro forma basis as if the Business Combination, the other events contemplated by the Business Combination Agreement and the financing transaction had been consummated on January 1, 2020, the beginning of the earliest period presented.

The unaudited pro forma condensed combined financial information and accompanying notes have been derived from and should be read in conjunction with:

- the historical audited financial statements of AHAC as of December 31, 2020 and for the period from July 1, 2020 (inception) through December 31, 2020 and the related notes, which are included in AHAC's Annual Report on Form 10-K/A filed with the SEC on May 14, 2021 (the "AHAC 10-K/A");
- the historical unaudited financial statements of AHAC as of and for the six months ended June 30, 2021 and the related notes, which are included in AHAC's Quarterly Report on Form 10-Q filed with the SEC on August 16, 2021 (the "AHAC 10-Q");
- the historical audited financial statements of Humacyte as of and for the year ended December 31, 2020 and the related notes, which are included in the Current Report. ;
- the historical unaudited financial statements of Humacyte as of and for the six months ended June 30, 2021 and the related notes, which are included elsewhere in this Current Report; and
- other information relating to AHAC and Humacyte contained in this Current Report, including the Business Combination Agreement and the description of certain terms thereof.

The unaudited pro forma condensed combined financial information should also be read together with the sections of the AHAC 10-K/A and the AHAC 10-Q entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the section of this Current Report entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," as well as other financial information included elsewhere in this Current Report.

Description of the Business Combination

On August 26, 2021, AHAC, Merger Sub and Humacyte consummated the Business Combination pursuant to which Merger Sub merged with and into Humacyte, with Humacyte surviving the Business Combination. Humacyte became a wholly owned subsidiary of AHAC and AHAC was renamed "Humacyte, Inc." Upon the consummation of the Business Combination, the consideration for the Business Combination was distributed as follows (in each case, rounded down to the nearest whole share):

- each outstanding share of Humacyte common stock was cancelled and converted into the right to receive a number of shares of Common Stock equal to the Exchange Ratio (as defined in the Proxy Statement/Prospectus of 0.26260);

- each outstanding share of Humacyte preferred stock was converted into Humacyte common stock immediately prior to the Business Combination based on the applicable conversion ratio immediately prior to the Effective Time. The shares of Humacyte common stock received upon such conversion were then cancelled and converted into the right to receive a number of shares of Common Stock equal to the Exchange Ratio of 0.26260; and

- each outstanding option or warrant to purchase Humacyte common stock was be converted into an option or warrant, as applicable, to purchase a number of shares of Common Stock equal to (A) the number of shares of Humacyte common stock subject to such option or warrant multiplied by (B) the Exchange Ratio at an exercise price per share equal to the current exercise price per share for such option or warrant divided by the Exchange Ratio of 0.26260. The options and warrants to purchase shares of Common Stock are otherwise subject to the same terms.

Other Related Events in Connection with the Business Combination

Other related events that took place or are contemplated to take place in connection with the Business Combination are summarized below:

- the issuance and sale of 17,500,000 shares of Common Stock to the PIPE Investors at a purchase price of $10.00 per share for aggregate proceeds of $175.0 million pursuant to the PIPE Investment;

- the contingent issuance of up to 15,000,000 shares of Common Stock (the "Contingent Consideration"), comprised of two separate tranches of 7,500,000 shares per tranche, to stockholders of Humacyte for no consideration upon the occurrence of certain triggering events, including upon a change in control, as described further in the section of the Proxy Statement/Prospectus entitled "Proposal 1: The Business Combination Proposal." As these triggering events have not yet been achieved, the Contingent Consideration is treated as contingently issuable in the unaudited pro forma condensed combined financial information. The issuance of the Contingent Consideration would dilute all Common Stock outstanding at that time. Assuming the expected capital structure as of the closing of the Business Combination, the 7,500,000 shares issued in connection with each earnout triggering event would represent approximately 7.3% and 7.3% of shares, respectively.

Financing Transaction

The other event consummated by Humacyte that is reflected in Humacyte's June 30, 2021 historical balance sheet, but is not fully reflected in Humacyte's statement of operations for the year ended December 31, 2020 and the six months ended June 30, 2021 and is considered a material event separate from the Business Combination is the financing transaction summarized below:

- In March 2021, Humacyte entered into a secured debt facility which provides a term loan facility of up to $50.0 million with a maturity date of March 1, 2025, of which $20.0 million was funded upon closing, and the additional $30.0 million is accessible in three tranches each of $10 million contingent on the achievement of certain business and clinical development milestones. Borrowings bear interest at the greater of 7.5% or the Wall Street Journal Prime Rate plus 4.25%. In connection with the secured debt facility, Humacyte granted warrants to purchase shares of Humacyte common stock at an exercise price of $2.699 per share (the "Loan Agreement Warrants"), of which 1,095,616 warrants were immediately exercisable and the remaining 469,550 will become exercisable upon the funding of an additional $10.0 million. The Loan Agreement Warrants are accounted for as debt issuance costs recognized as a direct reduction to the carrying amount of the loan and amortized as interest expense using the effective interest rate method through the term of the loan. Upon the closing of the Business Combination, any unexercised Loan Agreement Warrants were cancelled in exchange for warrants to purchase a number of shares of Common Stock equal to the number of shares of Humacyte common stock subject to the warrant multiplied by the Exchange Ratio at an exercise price per share equal to the current exercise price per share divided by the Exchange Ratio. The new Loan Agreement Warrants will otherwise have the same terms.

Accounting for the Business Combination

Notwithstanding the legal form of the Business Combination pursuant to the Business Combination Agreement, the Business Combination is accounted for as a reverse recapitalization in accordance with GAAP. Under this method of accounting, AHAC is treated as the acquired company and Humacyte is treated as the acquirer for financial reporting purposes. Accordingly, for accounting purposes, the financial statements of New Humacyte represent a continuation of the financial statements of Humacyte, with the Business Combination treated as the equivalent of Humacyte issuing stock for the net assets of AHAC, accompanied by a recapitalization. The net assets of AHAC are stated at historical cost, with no goodwill or other intangible assets recorded. Operations prior to the Business Combination are those of Humacyte. Humacyte has been determined to be the accounting acquirer based on an evaluation of the following facts and circumstances:

- Humacyte's existing stockholders have a majority of the voting power in New Humacyte;
- the New Humacyte Board consists of 11 directors, ten of whom were designated by Humacyte and one of whom was designated by AHAC;
- Humacyte's existing senior management team comprises the senior management of the Combined Company; and
- Humacyte's operations prior to the Business Combination comprise the ongoing operations of New Humacyte.

The Contingent Consideration is expected to be accounted for as liability classified instruments that are earned upon achieving certain triggering events, which includes a change in control event that is not solely indexed to the common stock of New Humacyte. Liability classified instruments will be recognized at fair value as of the closing of the Business Combination and subsequently remeasured at fair value in future reporting periods, with changes in fair value recognized in earnings.

Basis of Pro Forma Presentation

The unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S-X. The adjustments in the unaudited pro forma condensed combined financial information have been identified and presented to provide relevant information necessary for an illustrative understanding of New Humacyte upon consummation of the Business Combination, the other events contemplated by the Business Combination Agreement and the financing transaction in accordance with GAAP.

Assumptions and estimates underlying the unaudited pro forma adjustments set forth in the unaudited pro forma condensed combined financial information are described in the accompanying notes. The unaudited pro forma condensed combined financial information has been presented for illustrative purposes only and is not necessarily indicative of the operating results and financial position that would have been achieved had the Business Combination occurred on the dates indicated, and does not reflect adjustments for any anticipated synergies, operating efficiencies, tax savings or cost savings. Any cash proceeds remaining after the consummation of the Business Combination, the other events contemplated by the Business Combination Agreement and the financing transaction are expected to be used for general corporate purposes. Further, the unaudited pro forma condensed combined financial information does not purport to project the future operating results or financial position of New Humacyte following the consummation of the Business Combination. The unaudited pro forma adjustments represent management's estimates based on information available as of the date of these unaudited pro forma condensed combined financial information and are subject to change as additional information becomes available and analyses are performed. AHAC and Humacyte have not had any historical relationship prior to the transactions discussed in this Current Report. Accordingly, no pro forma adjustments were required to eliminate activities between the companies.

The following summarizes the pro forma Common Stock issued and outstanding immediately after the Business Combination:

	Pro Forma Combined	
	Number of Shares	% Ownership
New Humacyte shares	7,346,449	7.1%
Founder Shares [(1)]	2,500,000	2.4%
New Humacyte shares issued to PIPE Investors	17,500,000	17.0%
New Humacyte shares issued in merger to Humacyte stockholders	75,656,935	73.5%
Shares outstanding	103,003,384	100.0%

(1) All of the Founder Shares converted into shares of Common Stock on the Closing Date.

The pro forma table above excludes New Humacyte shares reserved for the future issuance of Humacyte's vested options, the Public Warrants, the warrants issued pursuant to the Loan Agreement and the Contingent Consideration.

The following table summarizes the total New Humacyte shares issuable to Humacyte stockholders in connection with the Business Combination.

New Humacyte shares issued in merger to Humacyte stockholders	75,656,935
Additional New Humacyte shares reserved for the future exercise of Humacyte vested options	4,055,127
Additional New Humacyte shares reserved for the future exercise of the Loan Agreement Warrants	287,704
Business Combination Consideration	79,999,766
Contingent Consideration	15,000,000
Total shares potentially issued to Humacyte	94,999,766

Following the closing of the Business Combination, the Humacyte stockholders have the right to receive the Contingent Consideration upon the occurrence of certain triggering events, including upon a change in control, as described further in the section of the Proxy Statement/Prospectus entitled "Proposal 1: The Business Combination Proposal." Because the Contingent Consideration is contingently issuable based upon the price of Common Stock reaching certain thresholds that have not yet been achieved, the pro forma Common Stock issued and outstanding immediately after the Business Combination excludes the Contingent Consideration.

If the actual facts are different than these assumptions, then the amounts and shares outstanding in the unaudited pro forma condensed combined financial information will be different and those changes could be material.

UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
AS OF JUNE 30, 2021
(in thousands)

	AHAC (Historical)	Humacyte Historical	Transaction Accounting Adjustments (Note 2)		Pro Forma Combined
ASSETS					
Current assets					
Cash and cash equivalents	383	28,969	100,031	**(1)**	252,883
			175,000	**(3)**	
			(18,957)	**(5)**	
			(2,447)	**(6)**	
			(30,096)	**(12)**	
Accounts receivable	-	689	-		689
Prepaid expenses	80	1,482	-		1,562
Total current assets	463	31,140	223,531		255,134
Prepaid expenses, non-current	16	-	-		16
Marketable securities held in Trust Account	100,031	-	(100,031)	**(1)**	-
Finance lease right-of-use assets, net	-	22,462	-		22,462
Operating lease right-of-use assets, net	-	748	-		748
Deferred offering costs	-	3,242	(3,242)	**(5)**	-
Property and equipment, net	-	37,960	-		37,960
Total assets	**$ 100,510**	**$ 95,552**	**$ 120,258**		**$ 316,320**
LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' (DEFICIT) EQUITY					
Current liabilities					
Accounts payable	$ 7	$ 3,039	$ (2,199)	**(5)**	$ 847
Franchise tax payable	213	-	-		213
Accrued expenses	-	8,652	-		8,652
SVB loan payable, current portion	-	2,222	-		2,222
Deferred payroll tax, current portion	-	145	-		145
Finance lease obligation, current portion	-	1,852	-		1,852
Operating lease obligation, current portion	-	43	-		43
Total current liabilities	220	15,953	(2,199)		13,974
Secured bank loan facility	-	-	-		-
Contingent consideration	-	-	147,679	**(7)**	147,679
Warrant liabilities	14,465	-	(14,000)	**(11)**	465
Deferred underwriters' discount payable	2,123	-	(2,123)	**(6)**	-
SVB loan payable, net of current portion	-	15,390	-		15,390
Deferred payroll tax, net of current portion	-	144	-		144
Finance lease obligation, net of current portion	-	22,133	-		22,133
Operating lease obligation, net of current portion	-	705	-		705
Total liabilities	16,808	54,325	129,357		200,490
Commitments and contingencies					
Class A common stock subject to possible redemption	78,702	-	(78,702)	**(2)**	-
Redeemable Convertible Preferred Stock					
Series A, B, C and D redeemable convertible preferred stock	-	420,989	(420,989)	**(4)**	-
Total redeemable convertible preferred stock	-	420,989	(420,989)		-
Stockholders' (deficit) equity					
Class A common stock	1	-	1	**(2)**	10
			2	**(3)**	
			1	**(8)**	
			5	**(9)**	
			-	**(12)**	
Class B common stock	1	-	(1)	**(8)**	-
Common stock	-	23	265	**(4)**	-
			(288)	**(9)**	
Additional paid-in capital	12,728	45,810	78,701	**(2)**	541,416
			174,998	**(3)**	
			420,724	**(4)**	
			(20,000)	**(5)**	
			(324)	**(6)**	
			(147,679)	**(7)**	
			283	**(9)**	
			(7,730)	**(10)**	
			14,000	**(11)**	
			(30,096)	**(12)**	
Accumulated (deficit) equity	(7,730)	(425,595)	7,730	**(10)**	(425,595)
Total stockholders' (deficit) equity	5,000	(379,762)	490,593		115,831

Total liabilities, redeemable convertible preferred stock and stockholders' (deficit) equity	**$ 100,510**	**$ 95,552**	**$ 120,258**	**$ 316,320**

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2020
(in thousands, except share and per share data)

	AHAC (Historical)	Humacyte Historical	Transaction Accounting Adjustments (Note 2)	Humacyte Pro Forma	Transaction Accounting Adjustments (Note 2)	Pro Forma Combined
Revenue	$ -	$ 1,491	$ -	$ 1,491	$ -	$ 1,491
Expenses						
Administrative expenses	249	12,013	-	12,013	-	12,262
Research and development expenses	-	54,078	-	54,078	-	54,078
Total expenses	249	66,091	-	66,091	-	66,340
Operating loss	(249)	(64,600)	-	(64,600)	-	(64,849)
Other income (expense)						
Interest income	16	278	-	278	(16) **(1)**	278
Change in fair value of warrant liabilities	1,970	-	-	-	(2,021) **(2)**	(51)
Offering expenses related to warrant issuance	(317)	-	-	-	-	(317)
Interest expense	-	(2,202)	(2,816) (3)	(5,018)	-	(5,018)
Net income (loss)	**$ 1,420**	**$ (66,524)**	**$ (2,816)**	**$ (69,340)**	**$ (2,037)**	**$ (69,957)**
Weighted average shares outstanding of Class A common stock subject to possible redemption	6,338,515					
Basic and diluted net income per share - Class A common stock subject to possible redemption	**$ -**					
Weighted average shares outstanding of non-redeemable common stock	2,500,000					
Basic and diluted loss per share - non-redeemable common stock	**$ 0.56**					
Weighted average shares outstanding of Humacyte common stock		21,956,162			81,047,222 **(4)**	103,003,384
Basic and diluted net loss per share - Humacyte common stock		**$ (3.03)**				**$ (0.68)**

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2021
(in thousands, except share and per share data)

	AHAC (Historical)	Humacyte Historical	Transaction Accounting Adjustments (Note 2)		Humacyte Pro Forma	Transaction Accounting Adjustments (Note 2)		Pro Forma Combined
Revenue	$ -	$ 845	$ -		$ 845	$ -		$ 845
Expenses								
Administrative expenses	737	10,178	-		10,178	-		10,915
Research and development expenses	-	29,705	-		29,705	-		29,705
Total expenses	737	39,883	-		39,883	-		40,620
Operating loss	(737)	(39,038)	-		(39,038)	-		(39,775)
Other income (expense)								
Interest income	-	3	-		3	-		3
Change in fair value of warrant liabilities	(8,427)	-	-		-	8,250	**(2)**	(177)
Gain on PPP loan forgiveness	-	3,284	-		3,284	-		3,284
Offering expenses related to warrant issuance	15	-	-		-	-		15
Interest expense	-	(1,748)	(693)	(3)	(2,441)	-		(2,441)
Net income (loss)	**$ (9,149)**	**$ (37,499)**	**$ (693)**		**$ (38,192)**	**$ 8,250**		**$ (39,091)**
Weighted average shares outstanding of Class A common stock subject to possible redemption	8,315,869							
Basic and diluted net income per share - Class A common stock subject to possible redemption	**$ -**							
Weighted average shares outstanding of non-redeemable common stock	4,539,131							
Basic and diluted loss per share - non-redeemable common stock	**$ (2.02)**							
Weighted average shares outstanding of Humacyte common stock		22,499,516				80,503,868	**(4)**	103,003,384
Basic and diluted net loss per share - Humacyte common stock		**$ (1.67)**						**$ (0.38)**

Notes to Unaudited Pro Forma Condensed Combined Financial Statements

1. Basis of Presentation

The Business Combination was accounted for as a reverse recapitalization in accordance with GAAP. Under this method of accounting, AHAC was treated as the "acquired" company for financial reporting purposes. Accordingly, for accounting purposes, the financial statements of New Humacyte represent a continuation of the financial statements of Humacyte, and the Business Combination was treated as the equivalent of Humacyte issuing stock for the net assets of AHAC, accompanied by a recapitalization. The net assets of AHAC are stated at historical cost, with no goodwill or other intangible assets recorded. Operations prior to the Business Combination are those of Humacyte.

The unaudited pro forma condensed combined balance sheet as of June 30, 2021 gives pro forma effect to the Business Combination and other events contemplated by the Business Combination Agreement as if they had been consummated on June 30, 2021. The unaudited pro forma condensed combined statement of operations for the year ended December 31, 2020 and the six months ended June 30, 2021, gives pro forma effect to the Business Combination, the other events contemplated by the Business Combination Agreement and the financing transaction as if they had been consummated on January 1, 2020.

The unaudited pro forma condensed combined financial information and the accompanying notes have been derived from and should be read in conjunction with:

- the historical audited financial statements of AHAC as of December 31, 2020 and for the period from July 1, 2020 (inception) through December 31, 2020 and the related notes, which are included in the AHAC 10-K/A;
- the historical unaudited financial statements of AHAC as of and for the six months ended June 30, 2021 and the related notes, which are included in the AHAC 10-Q;
- the historical audited financial statements of Humacyte as of and for the year ended December 31, 2020 and the related notes, which are included in the Current Report;
- the historical unaudited financial statements of Humacyte as of and for the six months ended June 30, 2021 and the related notes, which are included elsewhere in this Current Report; and
- other information relating to AHAC and Humacyte contained in this Current Report, including the Business Combination Agreement and the description of certain terms thereof.

The unaudited pro forma condensed combined financial information should also be read together with the sections of the AHAC 10-K/A and the AHAC 10-Q entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the section of this Current Report entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," as well as other financial information included elsewhere in this Current Report.

Management has made significant estimates and assumptions in its determination of the pro forma adjustments. As the unaudited pro forma condensed combined financial information has been prepared based on these preliminary estimates, the final amounts recorded may differ materially from the information presented.

The pro forma adjustments reflecting the consummation of the Business Combination are based on information available as of the date of this Current Report and certain assumptions and methodologies that management believes are reasonable under the circumstances. The unaudited condensed pro forma adjustments, which are described in these notes, may be revised as additional information becomes available and is evaluated. Therefore, the actual adjustments may materially differ from the pro forma adjustments that appear in this Current Report. Management considers this basis of presentation to be reasonable under the circumstances.

One-time direct and incremental transaction costs anticipated to be incurred prior to, or concurrent with, the closing of the Business Combination are reflected in the unaudited pro forma condensed combined balance sheet as a direct reduction to the New Humacyte's additional paid-in capital and are assumed to be cash settled.

2. Transaction Accounting Adjustments to Unaudited Pro Forma Condensed Combined Financial Information

Transaction Accounting Adjustments to Unaudited Pro Forma Condensed Combined Balance Sheet

The transaction accounting adjustments included in the unaudited pro forma condensed combined balance sheet as of June 30, 2021 are as follows:

(1) Reflects the liquidation and reclassification of cash and investments held in the Trust Account (as defined in the Proxy Statement/Prospectus) that became available for general use by New Humacyte following the Business Combination.

(2) Reflects the transfer of AHAC's Class A common stock subject to possible redemptions as of June 30, 2021 to permanent equity.

(3) Reflects the gross proceeds of $175.0 million from the PIPE Investment (17,500,000 shares of Common Stock at $10.00 per share).

(4) Reflects the conversion of all Humacyte preferred stock (Series A preferred, Series B preferred, Series C preferred and Series D preferred) into Common Stock pursuant to the conversion rate for such shares of Humacyte preferred stock effective immediately prior to the closing.

(5) Reflects the payment of direct and incremental transaction costs incurred prior to or concurrent with the Business Combination and PIPE Investment of $20.0 million, which were cash settled upon closing in accordance with the Business Combination Agreement. Transaction costs includes legal, accounting, financial advisory and other professional fees related to the Business Combination and PIPE Investment. For purposes of a reverse recapitalization transaction, these direct and incremental transaction costs related to the Business Combination were treated as a reduction of the cash proceeds resulting from the Business Combination and will accordingly be reported by the Combined Company as a reduction to additional paid-in capital rather than expensed as incurred. As of June 30, 2021, Humacyte had deferred transaction costs incurred of $3.2 million, of which $2.2 million was unpaid.

	Reverse Recapitalization	PIPE
Advisory and broker fees	$ 4,975,000	$ 9,850,000
Legal	3,650,000	350,000
Accounting	950,000	—
Other	225,000	—
	$ 9,800,000	$ 10,200,000

(6) Reflects the payment of the $2.4 million deferred underwriters' discount payable related to AHAC's initial public offering. As of June 30, 2021, $2.1 million was outstanding on AHAC's balance sheet, which assumed the maximum number of shares of AHAC Class A common stock were redeemed.

(7) Reflects the preliminary estimated fair value of the shares of Common Stock contingently issuable to shareholders of Humacyte upon the occurrence of certain triggering events as of the closing. The preliminary estimated fair value of these shares was determined using the most reliable information available. The actual fair value could change materially once the final valuation is determined at the closing. Refer to Note 4 for more information.

(8) Reflects the conversion of AHAC's Class B common stock to Class A common stock.

(9) Reflects the recapitalization of equity as a result of the exchange of Humacyte common stock for Common Stock at the Exchange Ratio.

(10) Reflects the elimination of AHAC's accumulated deficit to additional paid-in capital.

(11) Reflects the reclassification of the warrant liabilities associated with AHAC's public warrants to additional paid in capital. AHAC's public warrants are expected to be equity classified upon consummation of the Business Combination.

(12) Reflects the cash disbursement for the actual redemption of 3,008,551 shares of Class A Common Stock at a redemption price of approximately $10.00 per share, totaling approximately $30.1 million

Transaction Accounting Adjustments to Unaudited Pro Forma Condensed Combined Statement of Operations

The transaction accounting adjustments included in the unaudited pro forma condensed combined statement of operations for the year ended December 31, 2020 and the six months ended June 30, 2021 are as follows:

(1) Reflects an adjustment to eliminate interest income related to the Trust Account.

(2) Reflects an adjustment to eliminate the change in fair value of warrant liabilities associated with AHAC's public warrants, as such warrants are expected to become equity classified upon the consummation of the Business Combination.

(3) Reflects an adjustment for the interest expense, discount amortization, and accretion of the final payment related to the Loan Agreement.

(4) Reflects the increase in the weighted average shares of Common Stock outstanding due to the issuance of Common Stock in connection with the Business Combination and PIPE Investment, which is described further in Note 3.

3. Loss per Share

Represents the net loss per share calculated using the historical weighted average shares of AHAC common stock outstanding, and the issuance of additional shares in connection with the Business Combination and other related events, assuming the shares were outstanding since January 1, 2020. As the Business Combination and other related events are being reflected as if they had occurred at the beginning of the period presented, the calculation of weighted average shares outstanding for basic and diluted net loss per share assumes that the shares issuable in connection with the Business Combination have been outstanding for the entire period presented. No unexercised stock options and warrants were included in the earnings per share calculation as they would be anti-dilutive.

	Year Ended December 31, 2020
Pro forma net loss	$ (69,957,000)
Weighted average shares outstanding - basic and diluted	103,003,384
Net loss per share - basic and diluted [(1)]	$ (0.68)
New Humacyte Class A public shares	7,346,449
New Humacyte Class B shares	2,500,000
New Humacyte shares issued to PIPE Investors	17,500,000
New Humacyte shares issued in merger to Humacyte stockholders	75,656,935
Shares outstanding	103,003,384

	Six Months Ended June 30, 2021
Pro forma net loss	$ (39,091,000)
Weighted average shares outstanding - basic and diluted	103,003,384
Net loss per share - basic and diluted [(1)]	$ (0.38)
New Humacyte Class A public shares	7,346,449
New Humacyte Class B shares	2,500,000
New Humacyte shares issued to PIPE Investors	17,500,000
New Humacyte shares issued in merger to Humacyte stockholders	75,656,935
Shares outstanding	103,003,384

(1) All of the Founder Shares converted into shares of Common Stock on the Closing Date.

The following outstanding shares of common stock equivalents are excluded from the computation of pro forma diluted net income per share for all the periods and scenarios presented because including them would have an anti-dilutive effect.

	Year Ended December 31, 2020
	Pro Forma Combined
Public Warrants	5,000,000
Private Placement Warrants	177,500
Exercisable SVB Warrants	287,704
Unexercisable SVB Warrants	123,302
Vested options to purchase New Humacyte common stock	4,055,127
Unvested options to purchase New Humacyte common stock	2,350,003
Total	11,993,636

	Six Months Ended June 30, 2021
	Pro Forma Combined
Public Warrants	5,000,000
Private Placement Warrants	177,500
Exercisable SVB Warrants	287,704
Unexercisable SVB Warrants	123,302
Vested options to purchase New Humacyte common stock	4,055,127
Unvested options to purchase New Humacyte common stock	2,350,003
Total	11,993,636

The 15,000,000 Contingent Consideration shares are excluded from the calculation of pro forma net loss per share and the anti-dilutive table for all the periods and scenarios presented as such shares are contingently issuable until the share price of New Humacyte exceeds specified thresholds that have not yet been achieved, or upon the occurrence of a change in control.

4. Contingent Consideration

The contingent obligations to issue the Contingent Consideration are expected to be accounted for as liability classified instruments that are earned upon the achievement of certain triggering events, which includes a change in control event that is not solely indexed to the Common Stock. The preliminary estimated fair value of the Contingent Consideration is $147.7 million. The Contingent Consideration will be remeasured to fair value at each reporting date with changes in fair value recognized in earnings. These changes in fair value may be material to future results of operations.

The Contingent Consideration is comprised of two separate tranches of 7,500,000 shares of Common Stock per tranche. The first and second tranches are issuable if the volume weighted average price ("VWAP") of shares of Common Stock on Nasdaq, or any other national securities exchange on which the shares of Common Stock are then traded is greater than or equal to $15.00 and $20.00, respectively, over any twenty trading days within any thirty trading day period.

The estimated fair value of the Contingent Consideration was determined by using a Monte Carlo simulation valuation model using a distribution of potential outcomes on a monthly basis over a ten-year period. The preliminary estimated fair value of Contingent Consideration was determined using the most reliable information available. Assumptions used in the preliminary valuation, which are subject to change at the closing, were as follows:

Current stock price: The stock price was set at $10.19 per share based on the closing price per share of AHAC Class A common stock as of June 30, 2021. A hypothetical 10% change in stock price would result in a $14.7 million change in the estimated fair value of the Contingent Consideration.

Expected volatility: The volatility rate was determined by using an average of historical volatilities of selected industry peers deemed to be comparable to our business over a five-year period.

Risk-free interest rate: The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of issuance for zero-coupon U.S. Treasury notes with ten-year maturities.

Expected term: The expected term is ten years.

Expected dividend yield: The expected dividend yield is zero as Humacyte has never declared or paid cash dividends and New Humacyte has no current plans to do so during the expected term.

The actual fair value of Contingent Consideration is subject to change as additional information becomes available and additional analyses are performed, and such changes could be material once the final valuation of the Contingent Consideration is determined at the closing.

Exhibit 99.3

Humacyte Announces Successful Closing of Business Combination with Alpha Healthcare Acquisition Corp.

- *Humacyte raises $245M gross proceeds*
- *Combined company is expected to begin trading on the Nasdaq Global Select Market® under "HUMA" and "HUMAW" on August 27, 2021*
- *Company well-positioned to deliver on promise of regenerative tissue HAV technology for initial indications in vascular trauma, AV access and peripheral arterial disease*
- *Combined company will be led by Laura Niklason, M.D., Ph.D., Founder, President & CEO, and current executive team*
- *Kathleen Sebelius appointed Chair of the Board of Directors*
- *Humacyte to commemorate milestone by ringing Nasdaq closing bell on Monday, August 30, 2021*

Durham, N.C. – Aug. 26, 2021 – Humacyte, Inc., a clinical-stage biotechnology platform company developing universally implantable bioengineered human tissue at commercial scale, today announced the successful completion of its business combination (the "Business Combination") with Alpha Healthcare Acquisition Corp. (Nasdaq: AHAC) ("AHAC"), a special purpose acquisition company sponsored by Constellation Alpha Holdings. The resulting combined company, Humacyte, is expected to commence trading of its shares of common stock and warrants on the Nasdaq Global Select Market® under the ticker symbols "HUMA" and "HUMAW," respectively, on August 27, 2021. The Business Combination was approved by AHAC stockholders on August 24, 2021.

Humacyte's Human Acellular Vessels (HAVs) are engineered, off-the-shelf replacement vessels initially being developed for vascular repair, reconstruction and replacement. HAV is intended to overcome long-standing limitations in vascular repair and replacement – it can be manufactured at commercial scale, it has the potential to eliminate the need for harvesting a vessel from a patient, and clinical evidence suggests that it is non-immunogenic, infection-resistant, and can become durable living tissue. HAV is currently being evaluated in two Phase 3 trials in AV access and a Phase 2/3 trial for vascular trauma, and has been implanted in more than 430 patients. It is the first product to receive Regenerative Medicine Advanced Therapy (RMAT) designation from the U.S. Food and Drug Administration, and has also received FDA Fast Track designation.

"Humacyte is poised to make commercial-scale bioengineered tissues a reality for patients," said Laura Niklason, M.D., Ph.D., Founder, President and Chief Executive Officer. "We enter the next phase of our transformation of regenerative medicine as a robust public company, evaluating our first-in-class bioengineered HAVs in numerous indications. We set out with the lofty goal of changing the practice of medicine, and we are closer than ever today thanks to the unwavering commitment of our employees, our partners and our investors. I am confident that we have the right team, including the appointment of Kathleen Sebelius as Chair of our Board, to deliver on the promise of our breakthrough science."

Humacyte will continue to be led by Dr. Niklason and its current executive team. Niklason is one of only a handful of women in history to found a biotechnology company that she also took public as the CEO, at a valuation exceeding $1 billion. Ms. Sebelius, CEO of Sebelius Resources and former Secretary of the Department of Health and Human Services, has been appointed Chair of the Company's Board of Directors. All previously announced post-Business Combination Board nominees have also been elected to serve as directors of Humacyte.

"Humacyte's innovative biotechnology platform is aimed at solving intractable medical problems for (1) Patients: potential for lower risk of amputation and tissue rejection, elimination of waiting times, and reduced need for immunosuppression and additional surgeries; (2) Physicians: potential for better clinical outcomes and ease of use; and (3) Payors: potential cost savings by avoiding amputations and infections, additional surgeries, medication and re-hospitalizations," said Rajiv Shukla, Chairman & CEO of AHAC. "I am excited to work with the Humacyte Board and Team to fulfill this vision."

“Humacyte is a pioneer both in the field of regenerative medicine and as a woman-founded biotech company, where an innovative culture and world-class science have come together to make a meaningful difference for patients and the practice of medicine,” said Ms. Sebelius. “With a validated HAV platform technology and vast potential application, compelling data, a well-defined regulatory pathway, and scalable, proprietary commercial-scale manufacturing capability, Humacyte has all the ingredients to revolutionize patient care. It’s been an honor to serve on Humacyte’s Board for the past six years, and I now look forward to leading the Board and collaborating with the Humacyte leadership team in the important work ahead.”

Transaction Details

As a result of the Business Combination, the Company has received gross proceeds of approximately $245 million, including a $175 million PIPE financing and $70 million of cash held in the former AHAC trust account. Participating PIPE investors included Fresenius Medical Care, OrbiMed, Monashee Investment Management, Alexandria Venture Investments, UBS O’Connor, Morgan Creek Capital, and a number of other health care focused funds.

Piper Sandler & Co. acted as lead placement agent and financial advisor to AHAC. Exos acted as co-placement agent and financial advisor to AHAC. Oppenheimer and Lake Street Capital Markets acted as financial advisors to AHAC. Cowen acted as capital markets advisor to Humacyte. Goodwin Procter LLP acted as legal counsel to AHAC. DLA Piper acted as legal counsel to the placement agents. Covington & Burling LLP acted as legal counsel to Humacyte in the transaction.

Nasdaq Closing Bell Event

In celebration of the closing of the Business Combination and its debut on Nasdaq Global Select Market, Humacyte will ring the Nasdaq Stock Market Closing Bell on Monday, August 30, 2021, at 4 p.m. EDT, at the Nasdaq MarketSite in New York City. Dr. Niklason will be joined by company executives and Board members and their families for the ceremony. A live webcast of the ceremony will begin at 3:45 p.m. EDT and be available at https://livestream.com/nasdaq/live.

About Humacyte

Humacyte, Inc., is developing a disruptive biotechnology platform to deliver universally implantable bioengineered human tissues and organs designed to improve the lives of patients and transform the practice of medicine. The Company develops and manufactures acellular tissues to treat a wide range of diseases, injuries and chronic conditions. Humacyte’s initial opportunity, a portfolio of human acellular vessels (HAVs), is currently in late-stage clinical trials targeting multiple vascular applications, including vascular trauma repair, arteriovenous access for hemodialysis, and peripheral arterial disease. Pre-clinical development is also underway in coronary artery bypass grafts, pediatric heart surgery, treatment of type 1 diabetes, and multiple novel cell and tissue applications. Humacyte’s HAVs were the first product to receive the FDA’s Regenerative Medicine Advanced Therapy (RMAT) expedited review designation and received priority designation for the treatment of vascular trauma by the U.S. Secretary of Defense. For more information, visit www.Humacyte.com.

Forward-Looking Statements

This press release contains forward-looking statements that are based on beliefs and assumptions and on information currently available. In some cases, you can identify forward-looking statements by the following words: "may," "will," "could," "would," "should," "expect," "intend," "plan," "anticipate," "believe," "estimate," "predict," "project," "potential," "continue," "ongoing" or the negative of these terms or other comparable terminology, although not all forward-looking statements contain these words. These statements involve risks, uncertainties and other factors that may cause actual results, levels of activity, performance or achievements to be materially different from the information expressed or implied by these forward-looking statements. Although we believe that we have a reasonable basis for each forward-looking statement contained in this press release, we caution you that these statements are based on a combination of facts and factors currently known by us and our projections of the future, about which we cannot be certain. Forward-looking statements in this press release include, but are not limited to, statements regarding the initiation, timing, progress, and results of our clinical trials; the anticipated characteristics and performance of our HAVs, our ability to successfully complete, pre-clinical and clinical trials for our HAVs; the anticipated benefits of our HAVs relative to existing alternatives; the commercialization of our HAVs and our ability to manufacture at commercial scale; the implementation of our business model, strategic plans for our business; our rights and obligations under our partnership with Fresenius Medical Care; the scope of protection we are able to establish and maintain for intellectual property rights covering our HAVs and related technology; the timing or likelihood of regulatory filings and approvals; timing, scope, and rate of reimbursement for our HAVs; and our estimated available market opportunity.We cannot assure you that the forward-looking statements in this press release will prove to be accurate. These forward-looking statements are subject to a number of significant risks and uncertainties that could cause actual results to differ materially from expected results, including, among others, the impact of COVID-19 on Humacyte's business, changes in applicable laws or regulations, the possibility that Humacyte may be adversely affected by other economic, business, and/or competitive factors, and other risks and uncertainties, including those included under the header "Risk Factors" in the registration statement on Form S-4 filed by Humacyte with the SEC. Most of these factors are outside of Humacyte's control and are difficult to predict. Furthermore, if the forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame, or at all. The forward-looking statements in this press release represent our views as of the date of this press release. We anticipate that subsequent events and developments will cause our views to change. However, while we may elect to update these forward-looking statements at some point in the future, we have no current intention of doing so except to the extent required by applicable law. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this press release.

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