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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

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**FORM 10-Q**

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(Mark One)

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

For the quarterly period ended June 30, 2019

OR

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-38707

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**LogicBio Therapeutics, Inc.**

(Exact Name of Registrant as Specified in its Charter)

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**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**47-1514975**  
(I.R.S. Employer  
Identification No.)

**99 Erie St., Cambridge, MA 02139**  
(Address of principal executive offices) (Zip code)

**(617) 245-0399**  
(Registrant's telephone number, including area code)

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

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

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

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
Emerging growth company	<input checked="" type="checkbox"/>		

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

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

As of August 8, 2019, the registrant had 22,668,076 shares of common stock, \$0.0001 par value per share, outstanding.

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**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This Quarterly Report on Form 10-Q contains forward-looking statements. In some cases, you can identify these statements by forward-looking words such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “could,” “would,” “project,” “plan,” “expect,” or similar expressions, or the negative or plural of these words or expressions. These forward-looking statements include statements concerning the following:

- the initiation, cost, timing, progress and results of our current and future research and development activities and preclinical studies and potential future clinical trials;
- potential attributes and benefits of our GeneRide™ technology platform and our product candidate and any future product candidates;
- our ability to take advantage of the modular nature of our GeneRide platform to simplify and accelerate development of new product candidates;
- the potential benefits of strategic partnership agreements and our ability to enter into selective strategic partnership arrangements;
- the timing of, and our ability to obtain and maintain, regulatory approvals for our product candidate and any future product candidates;
- our ability to quickly and efficiently identify and develop additional product candidates;
- our ability to advance any product candidate into and successfully complete clinical trials;
- our intellectual property position, including with respect to our trade secrets and the duration of our patent protection; and
- our estimates regarding expenses, future revenues, capital requirements, the sufficiency of our current and expected cash resources and our need for additional financing.

These statements are only current predictions and are subject to known and unknown risks, uncertainties and other factors that may cause our or our industry’s actual results, levels of activity, performance or achievements to be materially different from those anticipated by the forward-looking statements. We discuss many of these risks in greater detail under Part I, Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2018 filed with the Securities and Exchange Commission on April 1, 2019, as may be amended or updated in our Quarterly Reports on Form 10-Q. You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by law, we are under no duty to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, after the date of this Quarterly Report on Form 10-Q, and you should not rely on statements contained herein as representing our views as of any date subsequent to the date of this Quarterly Report on Form 10-Q.

Unless the context otherwise requires, the terms “LogicBio,” “LogicBio Therapeutics, Inc.,” the “Company,” “we,” “us,” “our” and similar references in this Quarterly Report on Form 10-Q refer to LogicBio Therapeutics, Inc. and its subsidiaries.

**PART I—FINANCIAL INFORMATION****Item 1. Financial Statements (Unaudited).****LogicBio Therapeutics, Inc.****Condensed Consolidated Balance Sheets  
(In thousands, except share and per share data)**

	<u>June 30, 2019</u>	<u>December 31, 2018</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 25,456	\$ 80,906
Short-term investments	38,200	—
Prepaid expenses and other current assets	1,990	1,268
Restricted cash	146	—
Total current assets	<u>65,792</u>	<u>82,174</u>
Property and equipment, net	1,271	590
Restricted cash	—	146
Operating lease right-of-use asset	967	—
<b>TOTAL ASSETS</b>	<u><b>\$ 68,030</b></u>	<u><b>\$ 82,910</b></u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 1,657	\$ 1,168
Accrued expenses and other current liabilities	2,962	1,517
Total current liabilities	4,619	2,685
<b>STOCKHOLDERS' EQUITY:</b>		
Common stock, par value of \$0.0001 per share; 175,000,000 shares authorized as of June 30, 2019 and December 31, 2018, respectively; 22,522,516 and 22,188,393 shares issued and outstanding as of June 30, 2019 and December 31, 2018, respectively	3	3
Additional paid-in capital	108,362	107,473
Accumulated other comprehensive income (loss)	33	(9)
Accumulated deficit	(44,987)	(27,242)
Total stockholders' equity	<u>63,411</u>	<u>80,225</u>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u><b>\$ 68,030</b></u>	<u><b>\$ 82,910</b></u>

*See notes to unaudited condensed consolidated financial statements.*

LogicBio Therapeutics, Inc.

Condensed Consolidated Statements of Operations  
(In thousands, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
<b>OPERATING EXPENSES:</b>				
Research and development	\$ 7,934	\$ 2,226	\$ 13,420	\$ 3,681
General and administrative	2,524	1,416	5,156	2,334
Total operating expenses	10,458	3,642	18,576	6,015
<b>LOSS FROM OPERATIONS</b>	<b>(10,458)</b>	<b>(3,642)</b>	<b>(18,576)</b>	<b>(6,015)</b>
<b>OTHER INCOME, NET:</b>				
Interest income, net	411	60	854	128
Other expense, net	(1)	(7)	(1)	(4)
Total other income, net	410	53	853	124
Loss before income taxes	(10,048)	(3,589)	(17,723)	(5,891)
Income tax benefit (provision)	—	2	(22)	—
Net loss	\$ (10,048)	\$ (3,587)	\$ (17,745)	\$ (5,891)
Net loss attributable to common stockholders—basic and diluted (Note 9)	\$ (10,048)	\$ (8,217)	\$ (17,745)	\$ (10,521)
Net loss per share attributable to common stockholders—basic and diluted	\$ (0.45)	\$ (4.19)	\$ (0.79)	\$ (5.61)
Weighted-average common stock outstanding—basic and diluted	22,479,511	1,962,570	22,396,780	1,875,440

See notes to unaudited condensed consolidated financial statements.

LogicBio Therapeutics, Inc.

Condensed Consolidated Statements of Comprehensive Loss  
(In thousands)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2019	2018	2019	2018
Net loss	\$(10,048)	\$(3,587)	\$(17,745)	\$(5,891)
Other comprehensive income:				
Unrealized gain on investments	27	—	36	—
Foreign currency translation adjustment	3	1	6	8
Comprehensive loss	<u>\$(10,018)</u>	<u>\$(3,586)</u>	<u>\$(17,703)</u>	<u>\$(5,883)</u>

See notes to unaudited condensed consolidated financial statements.

LogicBio Therapeutics, Inc.

Condensed Consolidated Statements of Convertible Preferred Stock and Stockholders' Equity (Deficit)  
(In thousands, except share and per share data)

	Convertible Preferred Stock				Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive (Loss) Income	Accumulated Deficit	Total Stockholders' (Deficit) Equity
	Convertible Preferred Stock \$0.0001 Par Value Series A		Convertible Preferred Stock \$0.0001 Par Value Series B		\$0.0001 Par Value					
	Shares	Amount	Shares	Amount	Shares	Amount				
<b>BALANCE, January 1, 2018</b>	2,976,190	\$ 4,359	19,541,465	\$ 28,703	1,606,360	\$ 1	\$ 1,035	\$ (14)	\$ (9,621)	\$ (8,599)
Vesting of restricted stock	—	—	—	—	173,717	—	—	—	—	—
Foreign currency translation adjustment	—	—	—	—	—	—	—	7	—	7
Stock-based compensation expense	—	—	—	—	—	—	88	—	—	88
Net loss	—	—	—	—	—	—	—	—	(2,304)	(2,304)
<b>BALANCE, March 31, 2018</b>	2,976,190	4,359	19,541,465	28,703	1,780,077	1	1,123	(7)	(11,925)	(10,808)
Vesting of restricted stock	—	—	—	—	162,569	—	—	—	—	—
Foreign currency translation adjustment	—	—	—	—	—	—	—	1	—	1
Stock-based compensation expense	—	—	—	—	—	—	145	—	—	145
Net loss	—	—	—	—	—	—	—	—	(3,587)	(3,587)
<b>BALANCE, June 30, 2018</b>	2,976,190	\$ 4,359	19,541,465	\$ 28,703	1,942,646	\$ 1	\$ 1,268	\$ (6)	\$ (15,512)	\$ (14,249)
<b>BALANCE, January 1, 2019</b>	—	\$ —	—	\$ —	22,188,393	\$ 3	\$ 107,473	\$ (9)	\$ (27,242)	\$ 80,225
Vesting of restricted stock	—	—	—	—	160,337	—	—	—	—	—
Unrealized gain on investments	—	—	—	—	—	—	—	9	—	9
Foreign currency translation adjustment	—	—	—	—	—	—	—	3	—	3
Stock-based compensation expense	—	—	—	—	—	—	276	—	—	276
Net loss	—	—	—	—	—	—	—	—	(7,697)	(7,697)
<b>BALANCE, March 31, 2019</b>	—	—	—	—	22,348,730	3	107,749	3	(34,939)	72,816
Vesting of restricted stock	—	—	—	—	160,332	—	—	—	—	—
Exercise of options	—	—	—	—	13,454	—	82	—	—	82
Unrealized gain on investments	—	—	—	—	—	—	—	27	—	27
Foreign currency translation adjustment	—	—	—	—	—	—	—	3	—	3
Stock-based compensation expense	—	—	—	—	—	—	531	—	—	531
Net loss	—	—	—	—	—	—	—	—	(10,048)	(10,048)
<b>BALANCE, June 30, 2018</b>	—	\$ —	—	\$ —	22,522,516	\$ 3	\$ 108,362	\$ 33	\$ (44,987)	\$ 63,411

See notes to unaudited condensed consolidated financial statements.

**LogicBio Therapeutics, Inc.**  
**Condensed Consolidated Statements of Cash Flows**  
(In thousands)

	<b>Six Months Ended</b>	
	<b>June 30,</b>	
	<b>2019</b>	<b>2018</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss	\$(17,745)	\$(5,891)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense	104	39
Net amortization of premiums and discounts on investments	(337)	—
Stock-based compensation expense	807	233
Non-cash lease expense	567	—
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(683)	(376)
Other assets	—	115
Accounts payable	448	(273)
Accrued expenses and other current liabilities	(123)	(163)
Net cash used in operating activities	<u>\$(16,962)</u>	<u>\$(6,316)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of investments	(48,028)	—
Maturities of investments	10,200	—
Purchase of property and equipment	(749)	(15)
Net cash used in investing activities	<u>\$(38,577)</u>	<u>\$(15)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from exercise of stock options	82	—
Net cash provided by financing activities	<u>82</u>	<u>—</u>
Effect on foreign exchange rates on cash and cash equivalents	7	17
<b>NET DECREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>	(55,450)	(6,314)
Cash, cash equivalents and restricted cash at beginning of year	81,052	24,575
Cash, cash equivalents and restricted cash at end of period	<u>\$ 25,602</u>	<u>\$18,261</u>
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH</b>		
Cash and cash equivalents	\$ 25,456	\$18,261
Restricted cash	146	—
Total cash, cash equivalents and restricted cash	<u>\$ 25,602</u>	<u>\$18,261</u>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid for taxes	\$ 4	\$ 84
Right-of-use assets obtained in exchange for operating lease obligation	\$ 1,323	\$ —
Property and equipment purchases in accounts payable	\$ 56	\$ —
Deferred financing costs in accounts payable and accrued expenses	\$ 39	\$ —

*See notes to unaudited condensed consolidated financial statements.*

**LogicBio Therapeutics, Inc.**

**Notes to Unaudited Condensed Consolidated Financial Statements  
(In thousands, except share and per share data)**

**1. NATURE OF BUSINESS AND BASIS OF PRESENTATION**

LogicBio Therapeutics, Inc. (“LogicBio” or the “Company”) was incorporated in 2014 as a Delaware corporation. Its principal offices are in Cambridge, Massachusetts. The Company is a genome editing company focused on developing medicines to durably treat rare diseases in pediatric patients with significant unmet medical need, using GeneRide™, its proprietary technology platform. GeneRide technology is designed to precisely and stably integrate corrective genes into a patient’s genome to provide a durable therapeutic effect. The Company has demonstrated proof of concept of its therapeutic platform in animal models for a number of diseases and is focusing on its lead product candidate, LB-001, for the treatment of methylmalonic acidemia, a life-threatening disease that presents at birth.

On October 23, 2018, the Company completed an initial public offering (“IPO”) in which the Company issued and sold 8,050,000 shares of its common stock, including 1,050,000 shares pursuant to the full exercise of the underwriters’ option to purchase additional shares, at a public offering price of \$10.00 per share, for aggregate gross proceeds of \$80,500. The Company received approximately \$72,300 in net proceeds after deducting underwriting discounts and commissions and offering costs.

Upon the closing of the IPO, all outstanding shares of convertible preferred stock automatically converted into 11,789,775 shares of common stock at the applicable conversion ratio then in effect. Subsequent to the closing of the IPO, there were no shares of convertible preferred stock outstanding.

Management believes that the Company’s existing cash, cash equivalents and investments at June 30, 2019, together with the net proceeds received under the Loan Agreement entered into on July 2, 2019 (Note 12), are projected to fund the Company’s planned operations into 2021. In the absence of a significant source of recurring revenue, the continued viability of the Company beyond that point is dependent on its ability to continue to raise additional capital to finance its operations. There can be no assurance that the Company will be able to obtain sufficient capital to cover its costs on acceptable terms, if at all.

The accompanying unaudited condensed consolidated financial statements as of June 30, 2019 and for the three and six months ended June 30, 2019 and 2018 have been prepared by the Company in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) and pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”) for interim financial statements. Certain information and footnote disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. However, the Company believes that the disclosures are adequate to make the information presented not misleading. These condensed consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements and the notes thereto included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2018, filed with the SEC on April 1, 2019.

The unaudited interim condensed consolidated financial statements have been prepared on the same basis as the audited consolidated financial statements. In the opinion of management, the accompanying unaudited interim condensed consolidated financial statements contain all adjustments which are necessary for a fair statement of the Company’s financial position as of June 30, 2019, consolidated results of operations for the three and six months ended June 30, 2019 and 2018 and cash flows for the six months ended June 30, 2019 and 2018. Such adjustments are of a normal and recurring nature. The results of operations for the three and six months ended June 30, 2019 are not necessarily indicative of the results of operations that may be expected for the year ending December 31, 2019.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Significant Accounting Policies**

The Company’s significant accounting policies are disclosed in the audited consolidated financial statements and the notes thereto, which are included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2018, filed with the SEC on April 1, 2019. Since the date of those financial statements, there have been no material changes to its significant accounting policies other than the Company’s adoption of ASC 842 (defined below) and the Company’s significant accounting policy over investments, both of which are discussed in this note.

**Leases**

Effective January 1, 2019, the Company adopted ASC Topic 842, *Leases* (“ASC 842”), using the modified retrospective method and utilized the effective date as its date of initial application, with prior periods presented in accordance with the previous guidance under ASC 840, *Leases* (“ASC 840”).

At the inception of an arrangement, the Company determines whether the arrangement is or contains a lease based on the unique facts and circumstances present in the arrangement. Most leases with a term greater than one year are recognized on the balance sheet as a

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right-of-use asset and a current and non-current lease liability, as applicable. The Company elected not to recognize on the balance sheet leases with terms of one year or less. The Company typically only includes an initial lease term in its assessment of a leasing arrangement. Options to renew a lease are not included in the Company's assessment unless there is reasonable certainty that the Company will renew the lease. The Company remeasures and relocates the consideration in a contract when there is a modification of a lease that is not accounted for as a separate contract. A lease modification that results in a separate contract, including when the modification grants the lessee an additional right of use that is not included in the original lease, is accounted for in the same manner as a new lease. The Company monitors its material leases on a quarterly basis.

Operating lease liabilities and their corresponding right-of-use assets are recorded based on the present value of lease payments over the expected remaining lease term. Certain adjustments to the right-of-use asset may be required for items such as incentives received. The interest rate implicit in lease contracts is typically not readily determinable. As a result, the Company utilizes its incremental borrowing rate, which reflects the fixed rate at which the Company could borrow on a collateralized basis the amount of the lease payments in the same currency, for a similar term, in a similar economic environment. In transition to ASC 842, the Company utilized the remaining lease term of its leases in determining the appropriate incremental borrowing rates.

In accordance with ASC 842, components of a lease should be split into three categories: lease components (e.g., land, building, etc.), non-lease components (e.g., common area maintenance, consumables, etc.) and non-components (e.g., property taxes, insurance, etc.). The fixed and in-substance fixed contract consideration, including any consideration related to non-components, must be allocated based on the respective relative fair values to the lease components and non-lease components.

Although separation of lease and non-lease components is required, certain practical expedients are available. Entities may elect the practical expedient not to separate lease and non-lease components. Rather, entities would account for each lease component and the related non-lease component together as a single component. For new and amended leases beginning in 2019 and after, the Company has elected to account for the lease and non-lease components for leases for classes of all underlying assets together and allocate all of the contract consideration to the lease component only.

### **Investments**

The Company determines the appropriate classification of its investments in debt securities at the time of purchase. All of the Company's securities are classified as available-for-sale and are reported in short-term investments or long-term investments based on maturity dates and whether such assets are reasonably expected to be realized in cash or sold or consumed during the normal cycle of business. Available-for-sale investments are recorded at fair value, with unrealized gains or losses included in accumulated other comprehensive income (loss) on the Company's Condensed Consolidated Balance Sheets, exclusive of other-than-temporary impairment losses, if any. Investments may be composed of corporate debt securities, commercial paper, U.S. government and agency securities and certificates of deposit.

### **Recently Adopted Accounting Pronouncements**

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2016-02, "Leases (Topic 842)," which requires an entity to recognize assets and liabilities arising from a lease for both financing and operating leases on their balance sheet date. ASU No. 2016-02 is effective for fiscal years beginning after December 15, 2018. In July 2018, an amendment was made that allows companies the option of using the effective date of the new standard as the initial application date (at the beginning of the period in which the new standard is adopted, rather than at the beginning of the earliest comparative period). This update includes a short-term lease exception for leases with a term of 12 months or less, in which a lessee can make an accounting policy election not to recognize the associated lease assets and lease liabilities on its balance sheet. Additionally, in March 2019, the FASB issued ASU 2019-01, *Leases (Topic 842): Codification Improvements* ("ASU No. 2019-01"). ASU No. 2019-01 clarifies the transition guidance related to interim disclosures provided in the year of adoption. Lessees will continue to differentiate between finance leases (previously referred to as capital leases) and operating leases, using classification criteria that are substantially similar to the previous guidance. For lessees, the recognition, measurement, and presentation of expenses and cash flows arising from a lease did not significantly change from previous U.S. GAAP. The modified retrospective method includes several optional practical expedients that entities may elect to apply, as well as transition guidance specific to nonstandard leasing transactions. The Company adopted Topic 842 on January 1, 2019 using a cumulative-effect adjustment on the effective date of the standard, for which comparative periods are presented in accordance with the previous guidance under ASC 840.

In adopting Topic 842, the Company elected to utilize the available package of practical expedients permitted under the transition guidance within the new standard, which does not require the reassessment of the following: i) whether existing or expired arrangements are or contain a lease, ii) the lease classification of existing or expired leases, and iii) whether previous initial direct costs would qualify for capitalization under the new lease standard. Additionally, the Company made an accounting policy election to keep leases with a term of 12 months or less off its balance sheet.

Adoption of this standard resulted in the recording of \$210 each of operating lease liabilities and a right-of-use asset on the Company's condensed consolidated balance sheet on the effective date. The adoption of the standard did not have a material effect on the Company's condensed consolidated statements of operations, comprehensive loss, cash flows or convertible preferred stock and stockholders' equity (deficit). Refer to Note 10 for right-of-use asset and liabilities recorded during the six months ended June 30, 2019.

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**Recently Issued Accounting Pronouncements**

There have been no new accounting pronouncements or changes to accounting pronouncements during the six months ended June 30, 2019, as compared to the recent accounting pronouncements described in Note 2 of the Company's Annual Report on Form 10-K for the year ended December 31, 2018, which could be expected to materially impact the Company's unaudited condensed consolidated financial statements.

**3. FAIR VALUE MEASUREMENTS**

The following tables present information about the Company's financial assets measured at fair value on a recurring basis and indicate the level of the fair value hierarchy utilized to determine such fair values:

Description	June 30, 2019	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Observable Inputs (Level 3)
<i>Assets</i>				
Money market funds and cash equivalents	\$ 25,119	\$ 25,119	\$ —	\$ —
U.S. Treasury securities	38,200	38,200	—	—
Total financial assets	<u>\$ 63,319</u>	<u>\$ 63,319</u>	<u>\$ —</u>	<u>\$ —</u>
Description	December 31, 2018	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Observable Inputs (Level 3)
<i>Assets</i>				
Money market funds and cash equivalents	\$ 80,043	\$ 80,043	\$ —	\$ —
Total financial assets	<u>\$ 80,043</u>	<u>\$ 80,043</u>	<u>\$ —</u>	<u>\$ —</u>

The Company classifies its money market funds and U.S. Treasury securities as Level 1 assets under the fair value hierarchy as these assets have been valued using quoted market prices in active markets without any valuation adjustment.

**4. INVESTMENTS**

The following table summarizes the Company's investments, which are considered available-for-sale and were included in short-term investments on the condensed consolidated balance sheet as of June 30, 2019:

	June 30, 2019			
	Cost Basis	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
U.S. Treasury securities	\$ 38,164	\$ 36	\$ —	\$ 38,200
Total	<u>\$ 38,164</u>	<u>\$ 36</u>	<u>\$ —</u>	<u>\$ 38,200</u>

Certain short-term debt securities with original maturities of less than 90 days are included in cash and cash equivalents on the condensed consolidated balance sheet and are not included in the table above. As of June 30, 2019, all investments have contractual maturities within one year. The Company had no investments as of December 31, 2018.

## 5. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

Accrued expenses and other current liabilities at June 30, 2019 and December 31, 2018 consisted of the following:

	June 30, 2019	December 31, 2018
Accrued compensation and benefits	\$ 552	\$ 709
Accrued professional services	1,211	585
Lease liabilities	967	—
Other	232	223
Total accrued expenses and other current liabilities	<u>\$ 2,962</u>	<u>\$ 1,517</u>

Accrued compensation and benefits consists primarily of accrued bonuses. Accrued professional services consists primarily of consulting services, legal services and services provided by contract research organizations (“CRO”) and contract manufacturing organizations (“CMO”).

## 6. CONVERTIBLE PREFERRED STOCK

Series A convertible preferred stock and Series B convertible preferred stock is collectively referred to as “Preferred Stock.”

On October 23, 2018, upon the closing of the Company’s IPO, all outstanding shares of Preferred Stock converted into 11,789,775 shares of the Company’s common stock. As such, there were no outstanding shares of Preferred Stock as of June 30, 2019 and December 31, 2018.

The rights and privileges of the preferred stockholders were as follows:

*Conversion:* Each share of Preferred Stock was convertible, at the option of the holder, at any time, into shares of common stock on a one-for-1.90993 basis. The conversion ratio was determined by dividing the original issue price of \$1.4933 by the conversion price of \$0.78186. The Preferred Stock would automatically convert into shares of common stock at the closing a Qualified IPO (as defined in the Company’s amended and restated certificate of incorporation, as amended from time to time) or in a non-Qualified IPO, upon the approval of at least 60% of the preferred stockholders.

*Liquidation Preference:* Prior to the IPO, in the event of any liquidation or “Deemed Liquidation Event,” defined below, the preferred stockholders would have been entitled to the greater of (i) the original issue price of the Preferred Stock plus any accrued dividends not yet paid plus any other dividends declared and unpaid or (ii) the amount payable had all classes of shares been converted to common stock. In the event of a Deemed Liquidation Event, accrued dividends would not exceed 40% of the original issue price. After payments of all preferential amounts are made to the preferred stockholders, any remaining assets would be distributed to the common stockholders on a pro rata basis. A Deemed Liquidation Event was defined as a merger, consolidation, reorganization or similar transaction; the sale transfer, exclusive license of all or substantially all of the Company’s assets/intellectual property; or the sale or transfer of shares to any person (or group of related or affiliated persons), directly or indirectly, representing a greater than 50% of the voting power of the voting securities of the Company.

*Dividends:* Preferred stockholders were entitled to receive, when and if declared by the board of directors (the “Board”) out of any funds legally available, dividends at the rate of 8% of the original issue price per share. No dividends were declared or paid through October 23, 2018, the date on which all of the Preferred Stock was converted to common stock upon the closing of the Company’s IPO.

*Voting Rights:* Preferred Stock and common stock voted together as one class on an as converted basis.

## 7. STOCK-BASED COMPENSATION

### Equity Incentive Plans

In December 2014, the Company adopted the LogicBio Therapeutics, Inc. 2014 Equity Incentive Plan, as amended (the “2014 Plan”), for the issuance of stock options and other stock-based awards. In October 2018, the Company’s 2018 Equity Incentive Plan (the “2018 Plan”) became effective and as a result, no further awards will be made under the 2014 Plan. The 2018 Plan was established to provide equity-based ownership opportunities for employees and directors, as well as outside consultants and advisors. The 2018 Plan authorized up to 1,183,214 of shares of the Company’s common stock to be issued. In addition, any previously granted awards under the 2014 Plan will remain outstanding in accordance with their respective terms.

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Under the 2018 Plan, there is an annual increase on January 1 of each year from 2019 until 2028, by the lesser of (i) 4% of the number of shares of common stock outstanding on December 31 of the prior year, and (ii) an amount determined by the Board. On January 1, 2019, the Company increased the number of shares available for future grant under the 2018 Plan by 887,535 shares. At June 30, 2019, there were 1,288,249 shares available for future grant under the 2018 Plan.

The 2018 Plan is administered by the Board. The exercise prices, vesting and other restrictions are determined at the discretion of the board of directors, except that the exercise price per share of stock options may not be less than 100% of the fair market value of the common stock on the date of grant. Stock options awarded under the 2018 Plan expire 10 years after the grant date, unless the Board sets a shorter term. Vesting periods for awards under the 2018 Plan are determined at the discretion of the Board. Incentive stock options granted to employees and shares of restricted stock granted to employees, officers, members of the Board, advisors, and consultants of the Company typically vest over four years. Non-statutory options and shares of restricted stock granted to employees, officers, members of the Board, advisors, and consultants of the Company typically vest over three or four years.

### **Stock Options**

During the six months ended June 30, 2019 and 2018, the Company granted options to purchase 174,591 and 596,394 shares of common stock, respectively, with a weighted-average grant date fair value per share of \$6.34 and \$4.20, respectively. The Company recorded stock-based compensation expense for options granted of \$674 and \$85 during the six months ended June 30, 2019 and 2018, respectively. As of June 30, 2019, there were 2,509,572 options outstanding and \$5,215 of unrecognized stock-based compensation expense related to unvested stock options to be recognized over a weighted-average period of 3.1 years.

### **Restricted Common Stock**

The Company has granted shares of restricted common stock with time-based and performance-based vesting conditions from time to time. During the six months ended June 30, 2019, the Company did not grant any shares of restricted common stock. During the six months ended June 30, 2018, the Company granted 107,054 shares of restricted common stock. The Company recorded stock-based compensation expense for restricted common stock granted of \$133 and \$148 during the six months ended June 30, 2019 and 2018, respectively. As of June 30, 2019, there were 564,027 shares of unvested restricted common stock outstanding and \$393 of unrecognized stock-based compensation expense related to unvested restricted common stock to be recognized over a weighted-average period of 2.1 years.

### **Stock-Based Compensation Expense**

Total stock-based compensation expense recorded as research and development and general and administrative expenses, respectively, for employees, directors and non-employees for the six months ended June 30, 2019 and 2018 is as follows:

	Six Months Ended	
	June 30,	
	2019	2018
Research and development	\$ 352	\$ 96
General and administrative	455	137
Total stock-based compensation expense	<u>\$ 807</u>	<u>\$ 233</u>

## **8. INCOME TAXES**

For the six months ended June 30, 2019 and the year ended December 31, 2018, the Company maintained a full valuation allowance on federal and state deferred tax assets since management does not forecast the Company to be in a profitable position in the near future. The income tax provision within the condensed consolidated statements of operations related to tax expense of the wholly owned foreign subsidiary, LogicBio Therapeutics Research Ltd.

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### 9. LOSS PER SHARE

Basic loss per share is computed by dividing net loss attributable to common stockholders by the weighted-average common shares outstanding, without consideration to common stock equivalents:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Numerator:				
Net loss	\$ (10,048)	\$ (3,587)	\$ (17,745)	\$ (5,891)
Less: accruals of dividends of Preferred Stock	—	(4,630)	—	(4,630)
Net loss attributable to common stockholders — basic and diluted	<u>\$ (10,048)</u>	<u>\$ (8,217)</u>	<u>\$ (17,745)</u>	<u>\$ (10,521)</u>
Denominator:				
Weighted-average common stock outstanding	<u>22,479,511</u>	<u>1,962,570</u>	<u>22,396,780</u>	<u>1,875,440</u>
Net loss per share attributable to common stockholders — basic and diluted	<u>\$ (0.45)</u>	<u>\$ (4.19)</u>	<u>\$ (0.79)</u>	<u>\$ (5.61)</u>

The Company's potentially dilutive shares, which include outstanding Preferred Stock and stock options, as well as unvested restricted stock, are considered to be common stock equivalents and are only included in the calculation of diluted net loss when their effect is dilutive. The common stock equivalent computation for Preferred Stock uses the applicable conversion rate then in effect for any outstanding shares of Preferred Stock.

The Company excluded the following potential common stock equivalents from the computation of diluted net loss per share attributable to common stockholders because including them would have had an anti-dilutive effect for the three and six months ended June 30, 2019 and 2018:

	June 30, 2019	June 30, 2018
Preferred Stock	—	11,789,775
Unvested restricted stock	564,027	1,205,378
Options to purchase common stock	2,509,572	2,043,251

### 10. LEASES

The Company has historically entered into lease arrangements for its facilities and certain equipment. As of June 30, 2019, the Company had three operating leases with required future minimum payments. In applying the transition guidance under ASC 842, the Company determined the classification of these leases to be operating leases and recorded a right-of-use asset and lease liabilities as of the effective date. The Company's leases generally do not include termination or purchase options. From time to time, leases may include options to renew the lease after the expiration of the initial lease term. A renewal period is included in the lease term only when it is reasonably certain that the Company will exercise such renewal options. As of June 30, 2019, no renewal options existed that the Company felt were reasonably certain of being exercised.

#### Operating Leases

In December 2018, the Company entered into an operating lease for laboratory and office space in Cambridge, Massachusetts for a 14-month term, ending in March 2020. As required under the terms of the lease agreement as collateral for the facility lease, the Company had restricted cash of \$146 in the form of a certificate deposit as of June 30, 2019 and December 31, 2018.

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The following table contains a summary of the lease costs recognized under Topic 842 and other information pertaining to the Company's operating leases for the three and six months ended June 30, 2019 and as of June 30, 2019:

	<b>Three Months Ended June 30, 2019</b>	<b>Six Months Ended June 30, 2019</b>
Operating leases		
Lease cost		
Operating lease cost	\$ 315	\$ 589
Variable lease cost	92	134
Total lease cost	<u>\$ 407</u>	<u>\$ 723</u>
Other year-to-date lease information		
Operating cash flows used for operating leases		\$ 521
Operating lease liabilities arising from obtaining right-of-use assets		\$ 1,323
Other operating lease information		<b>As of June 30, 2019</b>
Operating lease liabilities — short term		\$ 967
Operating lease liabilities — long term		\$ —
Weighted average remaining lease term		0.8 years
Weighted average discount rate		7.04%

The variable lease costs for the three and six months ended June 30, 2019 include common area maintenance and other operating charges. As the Company's leases do not provide an implicit rate, the Company utilized its incremental borrowing rate based on what it would normally pay to borrow on a collateralized basis over a similar term for an amount equal to the lease payments at the commencement date in determining the present value of lease payments. As of June 30, 2019, the Company classified its short-term operating lease liabilities within accrued expenses and other current liabilities.

Future minimum lease payments under the Company's operating leases as of June 30, 2019 and December 31, 2018, were as follows:

	<b>As of June 30, 2019</b>	<b>As of December 31, 2018</b>
Maturity of lease liabilities		
2019	\$ 624	\$ 1,028
2020	377	223
Thereafter	—	—
Total lease payments	\$ 1,001	\$ 1,251
Less: imputed interest	(34)	
Total operating lease liabilities at June 30, 2019	<u>\$ 967</u>	

## 11. RELATED PARTIES

From time to time, the Company is or has been party to consulting service agreements with each of its three founders. Under the terms of each agreement, the Company pays an annual fee of \$68 for research and development consulting services. For each of the three months ended June 30, 2019 and 2018, the Company charged \$34 to research and development expenses under these consulting service agreements. For the six months ended June 30, 2019 and 2018, the Company charged \$84 and \$68 to research and development expenses, respectively, under these consulting service agreements. In addition, beginning in 2018, each founder receives \$5 annually for their participation on the Scientific Advisory Board. Each founder has also received stock options for their services as either a board member or member of the Scientific Advisory Board.

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In March 2017, the Company subleased to an affiliate certain space in Tel Aviv, Israel, through June 2018. For the three and six months ended June 30, 2018, the Company recognized income of \$8 and \$21, respectively, in other income related to this arrangement.

### **12. SUBSEQUENT EVENTS**

On July 2, 2019 (the "Closing Date"), the Company entered into a loan and security agreement (the "Loan Agreement"), for term loans with Oxford Finance LLC ("Oxford") and Horizon Technology Finance Corporation ("Horizon", together with Oxford, the "Lenders"). The Loan Agreement allows the Company to borrow up to \$20,000 issuable in two equal tranches (the "Term Loans"). On the Closing Date, the first tranche of \$10,000 was drawn down by the Company (the "Term A Loan"). The second tranche of \$10,000 will be available to the Company through September 30, 2020 and is subject to certain funding conditions (the "Term B Loan").

The outstanding loan balance will accrue interest at the greater of (i) the rate of the one-month U.S. LIBOR rate plus 6.25% and (ii) 8.75%. The Loan Agreement provides for an interest only period until July 1, 2021, followed by thirty-six equal monthly payments of principal and interest continuing through June 1, 2024 (the "Maturity Date"). Upon repayment of the Term Loans, the Company is required to make a final payment to the Lenders equal to 4.5% of the original principal amount of the Term Loans funded which will be accrued by charges to interest expense over the term of the loans using the effective-interest method. In conjunction with the Loan Agreement, the Company incurred issuance costs of approximately \$150.

In connection with the borrowing under the Term A Loan, the Company issued warrants to the Lenders. Due to a clerical error, the warrants were initially issued to purchase an aggregate of 31,372 shares of the Company's common stock. The Company subsequently amended the warrants to provide for the correct number of 15,686 underlying shares of common stock with an exercise price of \$12.75. The warrants are immediately exercisable and have a maximum contractual term of 10 years. The Company will determine the aggregate fair value of the warrants issued which will be recorded as a debt discount and accreted to interest expense over the life of the Term A Loan.

The Loan Agreement contains customary representations, warranties and covenants and also includes customary events of default. Events of default include, among other things, the Company's failure to pay amounts due, a breach of certain covenants, a material adverse change event, misrepresentations and judgments. Upon the occurrence of an event of default, a default interest rate of an additional 5.00% per annum may be applied to the outstanding loan balances, and the Lenders may declare all outstanding obligations immediately due and payable. Borrowings under the Loan Agreement are collateralized by substantially all the Company's assets, other than its intellectual property.

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### **Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.**

*The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the unaudited condensed consolidated financial information and the notes thereto included in this Quarterly Report on Form 10-Q and the audited consolidated financial information and the notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2018, which was filed with the Securities and Exchange Commission, or SEC, on April 1, 2019.*

*This discussion contains certain forward-looking statements that involve risks and uncertainties. Forward-looking statements are identified by words such as “believe,” “will,” “may,” “estimate,” “continue,” “anticipate,” “intend,” “should,” “plan,” “expect,” “predict,” “could,” “potentially” or the negative of these terms or similar expressions. You should read these statements carefully because they discuss future expectations, contain projections of future results of operations or financial condition, or state other “forward-looking” information. These statements relate to our future plans, objectives, expectations, intentions and financial performance and the assumptions that underlie these statements. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated in the forward-looking statements. Factors that might cause such a difference include, but are not limited to, those discussed in the “Risk Factors” section in this Quarterly Report on Form 10-Q. Forward-looking statements are based on our management’s beliefs and assumptions and on information currently available to our management. These statements, like all statements in this Quarterly Report on Form 10-Q, speak only as of their date, and except as required by law, we undertake no obligation to update or revise these statements in light of future developments. We caution investors that our business and financial performance are subject to substantial risks and uncertainties.*

#### **Overview**

We are a genome editing company focused on developing medicines to durably treat rare diseases in pediatric patients with significant unmet medical need using GeneRide, our proprietary technology platform. Our GeneRide technology is designed to precisely integrate corrective genes into a patient’s genome to provide a stable therapeutic effect. Because GeneRide is designed to have this durable therapeutic effect, we are initially targeting rare liver disorders in pediatric patients where it is critical to provide treatment early in a patient’s life before irreversible disease pathology can occur. We have demonstrated proof of concept of our therapeutic platform in animal models for a number of diseases and are focusing on development of our lead product candidate, LB-001, for the treatment of Methylmalonic Acidemia, or MMA, a life-threatening disease that presents at birth.

Based on our GeneRide technology, we are developing our lead product candidate, LB-001, to treat MMA. We plan to advance LB-001 to an IND filing in the fourth quarter of 2019 and into a Phase 1/2 clinical trial in pediatric MMA patients in the first half of 2020. We believe that achieving clinical proof of concept in an inherited liver disease such as MMA will validate our platform technology, including its potential application to other organs and diseases. In addition to MMA, we have demonstrated proof of concept of our platform in hemophilia B, alpha-1-antitrypsin deficiency, or A1ATD, and Crigler-Najjar syndrome animal disease models. We plan to nominate a second indication by the end of 2019. We expect to select future product candidates from these genetic diseases or others addressed by targeting the liver initially, and later by targeting the central nervous system and muscle.

Since our inception in 2014, we have devoted the majority of our efforts to business planning, research and development, developing and protecting our intellectual property, raising capital and recruiting management and technical staff. We do not have any products approved for sale and have not generated any revenue. As of June 30, 2019, we have raised approximately \$72.3 million in net proceeds through our initial public offering, or IPO, in October 2018 and approximately \$33.1 million in net proceeds from the sale of our convertible preferred stock in 2016 and 2017. We have incurred significant operating losses since our inception. Our ability to generate product revenue sufficient to achieve profitability will depend on the successful development and commercialization of our product candidate and any future product candidates. Our net loss was \$10.0 million and \$17.7 million for the three and six months ended June 30, 2019, respectively, and our accumulated deficit was \$45.0 million as of June 30, 2019. We expect to continue to incur significant expenses and increasing operating losses for the foreseeable future in connection with our ongoing activities. Furthermore, we expect to incur additional costs associated with operating as a public company that we did not previously incur or had previously incurred at lower rates as a private company, including significant legal, accounting, investor relations and other expenses.

#### **Components of Results of Operations**

##### **Revenue**

Since inception through June 30, 2019, we have not generated any revenue. We do not expect to generate any revenue from the sale of products in the near future. If our development efforts for LB-001, or other product candidates that we may develop in the future, are successful and result in regulatory approval or collaboration or license agreements with third parties, we may generate revenue in the future from a combination of product sales or payments from collaboration or license agreements.

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### ***Operating Expenses***

#### *Research and Development Expenses*

Research and development expenses consist primarily of costs incurred for our research activities, including our discovery efforts and the development of our product candidates, and include:

- salaries, benefits and other related costs, including stock-based compensation expense, for personnel engaged in research and development functions;
- license maintenance fees and milestone fees incurred in connection with various license agreements;
- the cost of laboratory supplies and acquiring, developing and manufacturing preclinical study and, eventually, clinical trial materials;
- expenses incurred under agreements with contract research organizations, or CROs, contract manufacturing organizations, or CMOs, as well as academic institutions and consultants that conduct our preclinical studies and other scientific development services;
- facility-related expenses, which include direct depreciation costs and allocated expenses for rent and maintenance of facilities and other operating costs;
- costs of outside consultants, including their fees, stock-based compensation and related travel expenses; and
- costs related to compliance with regulatory requirements.

We expense research and development costs as incurred. Costs for external development activities are recognized based on an evaluation of the progress to completion of specific tasks using information provided to us by our vendors. Payments for these activities are based on the terms of the individual agreements, which may differ from the pattern of costs incurred, and are reflected in our financial statements as prepaid or accrued research and development expenses.

Research and development activities are central to our business model. We expect that our research and development expenses will continue to increase for the foreseeable future as we plan and initiate clinical trials for our product candidate LB-001 and continue to discover and develop additional product candidates. If any of our product candidates enter into later stages of clinical development, they will generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later-stage clinical trials.

#### *General and Administrative Expenses*

General and administrative expenses consist primarily of salaries and other related costs, including stock-based compensation, for personnel in our executive, finance, corporate and business development and administrative functions. General and administrative expenses also include professional fees for legal, patent, accounting, auditing, tax and consulting services, travel expenses, and facility-related expenses, which include direct depreciation costs and allocated expenses for rent and maintenance of facilities and other operating costs.

We expect that our general and administrative expenses will increase in the future as we increase our general and administrative headcount to support our continued research and development and potential commercialization of our product candidates. We also expect to continue to incur increased expenses associated with being a public company, including costs of accounting, audit, legal, regulatory and tax compliance services, director and officer insurance costs, and investor and public relations costs.

#### *Other Income, Net*

Interest income, net consists primarily of interest on our cash and cash equivalents and investments. Other expense, net consists primarily of foreign exchange losses.

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### Results of Operations

#### Comparison of the Three Months Ended June 30, 2019 and 2018

The following table summarizes our results of operations for the three months ended June 30, 2019 and 2018:

	Three Months Ended June 30,	
	2019	2018
	<i>(in thousands)</i>	
Operating expenses:		
Research and development	\$ 7,934	\$ 2,226
General and administrative	2,524	1,416
Total operating expenses	10,458	3,642
Loss from operations	(10,458)	(3,642)
Other income:		
Other income, net	410	53
Loss before income taxes	(10,048)	(3,589)
Income tax benefit	—	2
Net loss	<u>\$ (10,048)</u>	<u>\$ (3,587)</u>

#### Research and Development Expenses

The following table summarizes our research and development expenses for the three months ended June 30, 2019 and 2018:

	Three Months Ended June 30,		Increase
	2019	2018	
	<i>(in thousands)</i>		
LB-001 external development and manufacturing costs	\$ 4,676	\$ 793	\$ 3,883
Personnel-related costs	1,498	482	1,016
Other research and development costs	1,760	951	809
Total research and development expenses	<u>\$ 7,934</u>	<u>\$ 2,226</u>	<u>\$ 5,708</u>

Research and development expenses for the three months ended June 30, 2019 were \$7.9 million, compared to \$2.2 million for the three months ended June 30, 2018. The increase of approximately \$5.7 million was primarily due to an increase of approximately \$3.9 million related to external development and manufacturing expenses for our lead product candidate LB-001, \$0.8 million in other research and development expenses as we increased our overall research and development activities related to general platform development and internal efforts for our lead product candidate LB-001 and \$1.0 million in personnel-related costs related to an increase in headcount. Personnel-related costs for the three months ended June 30, 2019 included stock-based compensation expense of \$0.2 million, compared to \$48,000 for the three months ended June 30, 2018.

#### General and Administrative Expenses

General and administrative expenses were \$2.5 million for the three months ended June 30, 2019, compared to \$1.4 million for the three months ended June 30, 2018. The increase of approximately \$1.1 million was primarily due to professional fees and personnel-related costs, including salaries, stock-based compensation and bonuses. The increase in professional fees was primarily due to the increase in legal, auditing and consulting services provided. The increase in personnel-related costs was primarily due to an increase in headcount of senior level employees. Stock-based compensation expense included in general and administrative expenses was \$0.3 million and \$0.1 million for the three months ended June 30, 2019 and 2018, respectively.

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### *Other Income, Net*

Other income, net was \$0.4 million for the three months ended June 30, 2019, compared to other income, net of \$0.1 million for the three months ended June 30, 2018. The change was primarily related to the increase in interest income from cash equivalents and investments.

### *Comparison of the Six Months Ended June 30, 2019 and 2018*

The following table summarizes our results of operations for the six months ended June 30, 2019 and 2018:

	Six Months Ended June 30,	
	2019	2018
	<i>(in thousands)</i>	
Operating expenses:		
Research and development	\$ 13,420	\$ 3,681
General and administrative	5,156	2,334
Total operating expenses	<u>18,576</u>	<u>6,015</u>
Loss from operations	<u>(18,576)</u>	<u>(6,015)</u>
Other income:		
Other income, net	853	124
Loss before income taxes	(17,723)	(5,891)
Income tax provision	(22)	—
Net loss	<u>\$ (17,745)</u>	<u>\$ (5,891)</u>

### *Research and Development Expenses*

The following table summarizes our research and development expenses for the six months ended June 30, 2019 and 2018:

	Six Months Ended June 30,		
	2019	2018	Increase
	<i>(in thousands)</i>		
LB-001 external development and manufacturing costs	\$ 7,430	\$ 1,287	\$ 6,143
Personnel-related costs	2,695	994	1,701
Other research and development costs	3,295	1,400	1,895
Total research and development expenses	<u>\$13,420</u>	<u>\$3,681</u>	<u>\$9,739</u>

Research and development expenses for the six months ended June 30, 2019 were \$13.4 million, compared to \$3.7 million for the six months ended June 30, 2018. The increase of approximately \$9.7 million was primarily due to an increase of approximately \$6.1 million related to external development and manufacturing expenses for our lead product candidate LB-001, \$1.9 million in other research and development expenses as we increased our overall research and development activities related to general platform development and internal efforts for our lead product candidate LB-001 and \$1.7 million in personnel-related costs related to an increase in headcount. Personnel-related costs for the six months ended June 30, 2019 included stock-based compensation expense of \$0.4 million, compared to \$0.1 million for the six months ended June 30, 2018.

### *General and Administrative Expenses*

General and administrative expenses were \$5.2 million for the six months ended June 30, 2019, compared to \$2.3 million for the six months ended June 30, 2018. The increase of approximately \$2.9 million was primarily due to professional fees and personnel-related costs, including salaries, stock-based compensation and bonuses. The increase in professional fees was primarily due to the increase in legal, auditing and consulting services provided. The increase in personnel-related costs was primarily due to an increase in headcount of executive level employees. Stock-based compensation expense included in general and administrative expenses was \$0.5 million and \$0.1 million for the six months ended June 30, 2019 and 2018, respectively.

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### *Other Income, Net*

Other income, net was \$0.9 million for the six months ended June 30, 2019, compared to other income, net of \$0.1 million for the six months ended June 30, 2018. The change was primarily related to the increase in interest income from cash equivalents and investments.

## **Liquidity and Capital Resources**

### ***Overview***

Since our inception and through June 30, 2019, we have not generated any revenue and have incurred significant losses and negative cash flows from our operations.

### ***Cash Flows***

The following table summarizes our cash flows for the six months ended June 30, 2019 and 2018:

	Six Months Ended	
	June 30,	
	2019	2018
	<i>(in thousands)</i>	
Net cash used in operating activities	\$(16,962)	\$(6,316)
Net cash used in investing activities	(38,577)	(15)
Net cash provided by financing activities	82	—
Effect of foreign exchange rates on cash and cash equivalents	7	17
Net decrease in cash and cash equivalents	<u>\$(55,450)</u>	<u>\$(6,314)</u>

### *Operating Activities*

During the six months ended June 30, 2019, net cash used in operating activities increased approximately \$10.6 million primarily related to an increase in our net loss adjusted for non-cash charges and changes in the components of working capital. The increase in cash used in operating activities during the six months ended June 30, 2019 compared to the six months ended June 30, 2018, was primarily driven by an increase in our net loss due to an increase in both our research and development and general and administrative expenses.

### *Investing Activities*

During the six months ended June 30, 2019, net cash used in investing activities increased approximately \$38.6 million, primarily related to net short-term investments activity of \$37.8 million and a \$0.7 million increase in the purchases of property and equipment as compared to the six months ended June 30, 2018.

### *Financing Activities*

During the six months ended June 30, 2019, net cash provided by financing activities consisted of approximately \$0.1 million related to the exercise of stock options. During the six months ended June 30, 2018, there were no net cash inflows or outflows related to financing activities.

### ***Funding Requirements***

We expect our expenses to increase substantially in connection with our ongoing activities, particularly as we advance the preclinical activities and clinical trials of our product candidate and any future product candidates. We expect that our expenses will increase substantially if and as we:

- continue our current research programs and our preclinical development of any product candidates from our current research programs;
- initiate clinical trials for LB-001 and any other product candidates we identify and develop;
- seek to identify, assess, acquire and/or develop additional research programs and additional product candidates;
- seek marketing approvals for any product candidate that successfully complete clinical trials;

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- develop, optimize, scale and validate a manufacturing process and analytical methods for any product candidates we may develop;
- establish and build out internal process and analytical development capabilities and research and preclinical grade production;
- obtain market acceptance of any product candidates we may develop as viable treatment options;
- address competing technological and market developments;
- maintain, expand and protect our intellectual property portfolio and provide reimbursement of third-party expenses related to our patent portfolio;
- further develop our GeneRide technology platform;
- hire additional technical, quality, regulatory, clinical, scientific and commercial personnel and add operational, financial and management information systems and personnel, including personnel to support our process and product development, manufacturing and planned future commercialization efforts;
- make royalty, milestone or other payments under current and any future in-license agreements;
- establish and maintain supply chain and manufacturing relationships with third parties that can provide adequate products and services, in both amount, timing and quality, to support clinical development and the market demand for any product candidate for which we obtain regulatory and marketing approval;
- leasing and building new facilities, including offices and labs, to support organizational growth;
- validate and build-out a commercial-scale current Good Manufacturing Practices, or cGMP, manufacturing facility; and
- establish a sales, marketing and distribution infrastructure to commercialize any product candidates for which we may obtain marketing approval.

Because of the numerous risks and uncertainties associated with the development of LB-001 and any other product candidates and programs we may develop, and because the extent to which we may enter into collaborations with third parties for development of LB-001 and any other product candidates we may develop is unknown, we are unable to estimate the timing and amounts of increased capital outlays and operating expenses associated with completing the research and development of our product candidates. Our future funding requirements, both near and long-term, will depend on many factors, including:

- the initiation, scope, progress, timing, costs and results of drug discovery, preclinical development, laboratory testing, and planned clinical trials for LB-001 and any other product candidates;
- the outcome, timing and cost of meeting regulatory requirements established by the U.S. Food and Drug Administration, or FDA, and other comparable foreign regulatory authorities, including resolving any potential clinical holds that may be imposed on us;
- the cost of filing, prosecuting, defending and enforcing our patent claims and other intellectual property rights;
- the cost of defending potential intellectual property disputes, including patent infringement actions;
- the achievement of milestones or occurrence of other developments that trigger payments under any of our current agreements or other agreements we may enter into;
- the extent to which we are obligated to reimburse, or entitled to reimbursement of, clinical trial costs under future collaboration agreements, if any;
- the effect of competing technological and market developments;
- the cost and timing of completion of clinical or commercial-scale manufacturing activities;
- the extent to which we in-license or acquire other products and technologies;
- our ability to establish and maintain collaborations on favorable terms, if at all;
- the cost of establishing sales, marketing and distribution capabilities for LB-001 and any other product candidates in regions where we choose to commercialize our product candidates, if approved; and
- the initiation, progress, timing and results of our commercialization of LB-001 and any other product candidates, if approved, for commercial sale.

A change in the outcome of any of these variables with respect to the development of a product candidate could mean a significant change in the costs and timing associated with the development of that product candidate. For example, if the FDA or another

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regulatory authority were to require us to conduct clinical trials beyond those that we anticipate will be required for the completion of clinical development of a product candidate, or if we experience significant trial delays due to patient enrollment or other reasons, we would be required to expend significant additional financial resources and time on the completion of clinical development. We may never succeed in obtaining regulatory approval for our product candidate or any future product candidates.

Until such time, if ever, that we can generate product revenue sufficient to achieve profitability, we expect to finance our cash needs through offerings of securities, private equity financing, debt financings, collaborations, government contracts or other strategic transactions. The terms of financing may adversely affect the holdings or the rights of our stockholders. If we are unable to obtain funding, we may be required to delay, limit, reduce or terminate some or all of our research and product development, product portfolio expansion or future commercialization efforts.

We will also continue to incur costs as a public company that we did not previously incur or have previously incurred at lower rates, including increased fees payable to the non-employee members of our board of directors, increased personnel costs, increased director and officer insurance premiums, audit and legal fees, investor relations fees and expenses for compliance with public company reporting requirements under the Securities Exchange Act of 1934, as amended, or the Exchange Act, and rules implemented by the SEC and Nasdaq.

### **Contractual Obligations and Commitments**

Our principal contractual obligations consist of our operating lease agreements as well as service and research agreements with collaborators, CROs, CMOs and other third parties for preclinical research studies and testing, all of which are entered in the normal course of business.

As of June 30, 2019, there have been no significant changes to our future non-cancelable minimum payments under service and research agreements from those reported in “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” included in our Annual Report on Form 10-K for the year ended December 31, 2018, filed with the SEC on April 1, 2019, other than normal period-to-period variations.

We may incur potential contingent payments upon our achievement of clinical, regulatory or commercial milestones, as applicable, or royalty payments under license agreements we have entered with research institutions, including Stanford University, the University of Texas and the National Institutes of Health. The timing and likelihood of these contingent payments are not currently known and would be difficult to predict or estimate due to the uncertainty of the achievement and timing of the events requiring payments under these agreements.

### **Policies and Significant Judgments and Estimates**

Our condensed consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States. The preparation of our condensed consolidated financial statements and related disclosures requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, costs and expenses, and the disclosure of contingent assets and liabilities in our condensed consolidated financial statements. We base our estimates on historical experience, known trends and events and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. We evaluate our estimates and assumptions on an ongoing basis. Our actual results may differ from these estimates under different assumptions or conditions.

There have been no significant changes to our critical accounting policies from those described in “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” included in our Annual Report on Form 10-K for the year ended December 31, 2018, filed with the SEC on April 1, 2019.

### **Emerging Growth Company Status**

The Jumpstart Our Business Startups Act of 2012 permits an “emerging growth company” such as us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies until those standards would otherwise apply to private companies. We have irrevocably elected to “opt out” of this provision and, as a result, we will comply with new or revised accounting standards when they are required to be adopted by public companies that are not emerging growth companies.

### **Off-Balance Sheet Arrangements**

We have not entered into any off-balance sheet arrangements and do not have any holdings in variable interest entities.

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**Recently Issued Accounting Pronouncements**

Refer to Note 2, in the accompanying notes to our condensed consolidated financial statements appearing elsewhere in this Quarterly Report on Form 10-Q for a discussion of recent accounting pronouncements.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

We are exposed to market risks in the ordinary course of our business. These risks primarily include interest rate sensitivities and foreign currency exchange rate sensitivities.

***Interest Rate Sensitivity***

As of June 30, 2019, we had cash, cash equivalents and investments of \$63.7 million. Our exposure to interest rate sensitivity is impacted by changes in the underlying U.S. bank interest rates. From time to time, our surplus cash has been invested in interest-bearing savings accounts and U.S. government and agency securities. We have not entered into investments for trading or speculative purposes. Due to the conservative nature of our investment portfolio, which is predicated on capital preservation of investments with short-term maturities, we do not believe an immediate one percentage point change in interest rates would have a material effect on the fair market value of our portfolio, and therefore we do not expect our operating results or cash flows to be significantly affected by changes in market interest rates.

As of June 30, 2019, we had no debt outstanding and are therefore not subject to interest rate risk related to debt.

***Foreign Currency Exchange Risk***

The functional currency of our wholly owned foreign subsidiary, LogicBio Therapeutics Research Ltd, or LogicBio Research, is the Israeli new shekel. Assets and liabilities of LogicBio Research are translated into United States dollars at the exchange rate in effect on the consolidated balance sheet date. Income items and expenses are translated at the average exchange rate in effect during the period. Stockholders' equity (deficit) amounts are translated based on historical exchange rates as of the date of each transaction. Unrealized translation gains and losses are recorded as a foreign currency translation adjustment, which is included in the Condensed Consolidated Statements of Convertible Preferred Stock and Stockholder's Equity (Deficit) as a component of accumulated other comprehensive loss. Adjustments that arise from exchange rate changes on transactions denominated in a currency other than the local currency are included in other expense, net in the Condensed Consolidated Statements of Operations as incurred. All operations ceased for LogicBio Research as of September 30, 2018.

We do not currently engage in currency hedging activities in order to reduce our currency exposure, but we may begin to do so in the future. Instruments that may be used to hedge future risks include foreign currency forward and swap contracts. These instruments may be used to selectively manage risks, but there can be no assurance that we will be fully protected against material foreign currency fluctuations.

**Item 4. Controls and Procedures.**

**Evaluation of Disclosure Controls and Procedures.**

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, as of June 30, 2019. Our disclosure controls and procedures are designed to ensure that information we are required to disclose in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures, and is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms.

Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as of June 30, 2019 were not effective due to the material weakness identified in fiscal year 2017 in our internal control over financial reporting process which included an ineffective control environment, including a lack of sufficient accounting personnel and personnel with financial reporting expertise, ineffective controls procedures, including those related to recognition in the appropriate period for certain transactions, ineffective risk assessment controls, including those policies and practices that would identify changes in our business practices, which could significantly impact our consolidated financial statements and system of internal controls, and ineffective monitoring of controls related to the financial close and reporting process.

**Remediation Plan**

We are committed and are taking steps necessary to remediate the control deficiencies that constituted the above material weakness by implementing changes to our internal control over financial reporting. During 2018 and through June 30, 2019, we made the following enhancements to our control environment including the following:

- We added finance personnel to the organization to strengthen our internal accounting team to include a controller and a senior director of external reporting and technical accounting.
- We engaged a third party to help us enhance our documentation of accounting policies and positions on technical accounting topics throughout the year.
- With the support of outside consultants, we completed risk assessment activities, which include evaluating and documenting the design of our internal controls that address the relevant risks, and identifying any gaps in the internal control environment that require remediation.
- We engaged outside consultants to assist us in the evaluation of our information systems to determine if there are internal control gaps that should be addressed in the general information technology controls and implement any needed improvements for existing systems.

Our remediation activities are continuing through the remainder of 2019. In addition to the above activities, we expect to engage in additional activities in the current year, including:

- Continue to engage external consultants to provide support related to more complex applications of GAAP and document and assess our accounting policies and procedures;
- Implement or refine internal controls that remediate gaps identified during the design assessment; and
- Engage outside consultants to perform tests of our system of internal controls to monitor the operating effectiveness of operation of our internal controls and to gain assurance whether such controls are present and functioning.

We continue to redesign and implement internal control activities. We continue to establish policies and procedures and enhance corporate oversight over process-level controls and structures to ensure that there is appropriate assignment of authority, responsibility, and accountability to enable remediating our material weakness.

We believe that our remediation plan will be sufficient to remediate the identified material weakness and strengthen our internal control over financial reporting. As we continue to evaluate, and work to improve, our internal control over financial reporting, management may determine that additional measures to address control deficiencies or modifications to the remediation plan are necessary. We cannot assure you, however, when we will remediate such weaknesses, nor can it be certain whether additional actions will be required or the costs of any such actions. Moreover, we cannot assure you that additional material weaknesses will not arise in the future.

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**Changes in Internal Control over Financial Reporting.**

Except for the remediation efforts of the previously identified material weakness as described above, there were no changes in our internal control over financial reporting that occurred during the three months ended June 30, 2019 that materially affected, or were reasonably likely to materially affect, our internal control over financial reporting.

## PART II—OTHER INFORMATION

### Item 1. Legal Proceedings.

From time to time, we may become involved in legal proceedings and claims arising in the ordinary course of our business. Although the results of litigation and claims cannot be predicted with certainty, as of the end of the period covered by this Quarterly Report on Form 10-Q, we did not believe we were party to any claim or litigation, the outcome of which, if determined adversely to us, would individually or in the aggregate be reasonably expected to have a material adverse effect on our business. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

### Item 1A. Risk Factors.

There have been no material changes from the risk factors previously disclosed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, filed with the SEC on April 1, 2019, except as set forth below.

#### *The terms of our Loan and Security Agreement place restrictions on our operating and financial flexibility.*

In July 2019, we entered into a Loan and Security Agreement with Oxford Finance LLC and Horizon Technology Finance Corporation (the "Loan Agreement"), which is secured by substantially all of our assets other than our intellectual property, which is subject to a negative pledge. We borrowed \$10.0 million upon execution of the Loan Agreement under an initial term A loan. Oxford Finance LLC and Horizon Technology Finance Corporation will make an additional term B loan in an aggregate principal amount up to \$10.0 million upon the occurrence of the Milestone Event (as defined in the Loan Agreement).

The Loan Agreement contains representations and warranties, affirmative and negative covenants applicable to us and our subsidiaries and events of default, in each case subject to grace periods, thresholds and materiality qualifiers, as more fully described in the Loan Agreement. The affirmative covenants include, among others, covenants requiring us and our subsidiaries to maintain our legal existence and material governmental approvals, deliver certain financial reports, maintain insurance coverage and maintain certain cash balances in controlled accounts. The negative covenants include, among others, restrictions on dispositions, changes in business, management, ownership or business locations, mergers or acquisitions, indebtedness, encumbrances, maintenance of collateral accounts, distributions, investments, transactions with affiliates and subordinated debt.

The Loan Agreement also includes events of default, the occurrence and continuation of which provide Oxford Finance LLC, as collateral agent, with the right to exercise remedies against us and the collateral securing the loans under the Loan Agreement, including foreclosure against our properties securing the Loan Agreement, including our cash, potentially requiring us to renegotiate our agreement on terms less favorable to us or to immediately cease operations. These events of default include, among other things, the nonpayment of principal or interest, violations of covenants, material adverse changes, attachment, levy, restraint on business, cross-defaults on material indebtedness, bankruptcy, material judgments, misrepresentations, subordinated debt, governmental approvals, lien priority and delisting.

Further, if we are liquidated, the lenders' right to repayment would be senior to the rights of the holders of our common stock to receive any proceeds from the liquidation. The lenders could declare a default upon the occurrence of any event that they interpret as a material adverse change as defined under the Loan Agreement, thereby requiring us to repay the loan immediately or to attempt to reverse the declaration of default through negotiation or litigation. Any declaration by the lenders of an event of default could significantly harm our business and prospects and could cause the price of our common stock to decline.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

#### *Use of Proceeds from Initial Public Offering*

On October 23, 2018, we closed our IPO, in which we issued and sold 8,050,000 shares of our common stock, including 1,050,000 shares sold pursuant to the full exercise of the underwriters' option to purchase additional shares, at a public offering price of \$10.00 per share for gross proceeds of \$80.5 million, before deducting underwriting discounts and commissions and offering expenses payable by us. All of the shares issued and sold in the IPO were registered under the Securities Act pursuant to a Registration Statement on Form S-1 (File No. 333-227523), which was declared effective by the SEC on October 18, 2018. Jefferies LLC, Barclays Capital Inc. and William Blair & Company, L.L.C. acted as joint book-running managers of the offering and as representatives of the underwriters. Chardan Capital Markets, LLC acted as the lead manager for the offering. The offering commenced on October 18, 2018 and did not terminate until the sale of all of the shares offered.

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The net offering proceeds to us, after deducting underwriting discounts and offering costs payable by us of an aggregate of approximately \$8.2 million, were approximately \$72.3 million. No material offering expenses were paid directly or indirectly to any of our directors or officers (or their associates) or persons owning 10.0% or more of any class of our equity securities or to any other affiliates.

There has been no material change in our planned use of the net offering proceeds from our IPO as described in our final prospectus filed with the SEC pursuant to Rule 424(b)(4) on October 18, 2018. We have been using and plan to continue to use the net proceeds from the IPO primarily to fund the development of LB-001 in MMA and for discovery and preclinical development of additional product candidates, and for working capital and general corporate purposes.

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### **Item 6. Exhibits.**

EXHIBIT 3.1	—	<a href="#"><u>Fourth Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, File No. 001-38707, filed on October 29, 2018).</u></a>
EXHIBIT 3.2	—	<a href="#"><u>Amended and Restated Bylaws (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, File No. 001-38707, filed on October 29, 2018).</u></a>
EXHIBIT 10.1#	—	<a href="#"><u>Amendment No. 2 to the Amended and Restated Exclusive (Equity) Agreement, dated as of June 24, 2019, between the Company and The Board of Trustees of the Leland Stanford University.</u></a>
EXHIBIT 10.2	—	<a href="#"><u>LogicBio Therapeutics, Inc. 2018 Equity Incentive Plan (incorporated by reference to Exhibit 10.8 to the Company's Form S-1/A, File No. 333-227523, filed on October 9, 2018).</u></a>
EXHIBIT 10.3	—	<a href="#"><u>LogicBio Therapeutics, Inc. 2018 Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.9 to the Company's Form S-1/A, File No. 333-227523, filed on October 9, 2018).</u></a>
EXHIBIT 31.1	—	<a href="#"><u>Rule 13a—14(a) / 15d—14(a) Certifications — Chief Executive Officer.</u></a>
EXHIBIT 31.2	—	<a href="#"><u>Rule 13a—14(a) / 15d—14(a) Certifications — Chief Financial Officer.</u></a>
EXHIBIT 32.1	—	<a href="#"><u>Section 1350 Certifications.</u></a>
EXHIBIT 101.INS	—	XBRL Instance Document.
EXHIBIT 101.SCH	—	XBRL Taxonomy Extension Schema Document.
EXHIBIT 101.CAL	—	XBRL Taxonomy Extension Calculation Linkbase Document.
EXHIBIT 101.DEF	—	XBRL Taxonomy Extension Definition Linkbase Document.
EXHIBIT 101.LAB	—	XBRL Taxonomy Extension Label Linkbase Document.
EXHIBIT 101.PRE	—	XBRL Taxonomy Extension Presentation Linkbase Document.

# Certain confidential portions of this exhibit were omitted by means of marking such portions with asterisks because the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly 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 thereunto duly authorized.

**LogicBio Therapeutics, Inc.**

Dated: August 13, 2019

By: /s/ Frederic Chereau  
Frederic Chereau  
President and Chief Executive Officer

Dated: August 13, 2019

By: /s/ Matthias Jaffé  
Matthias Jaffé  
Chief Financial Officer

[\*\*\*] = Certain information, marked by brackets, has been excluded from this exhibit because such information (i) is not material and (ii) would likely cause competitive harm to the registrant if publicly disclosed.

CONFIDENTIAL  
Execution Version

**AMENDMENT NO. 2  
TO  
AMENDED AND RESTATED EXCLUSIVE (EQUITY) AGREEMENT**

THIS AMENDMENT NO. 2 TO THE AMENDED AND RESTATED EXCLUSIVE (EQUITY) AGREEMENT (the “**Amendment**”) is made as of June 3, 2019 (“**Amendment Effective Date**”), by and between The Board of Trustees of the Leland Stanford Junior University, an institution of higher education having powers under the laws of the State of California (“**Stanford**”), and LogicBio Therapeutics, Inc., a Delaware corporation (“**LogicBio**”). Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in that certain Amended and Restated Exclusive (Equity) Agreement, dated as of January 31, 2018, by and between Stanford and LogicBio, as amended by that certain Amendment No. 1 to Amended and Restated Exclusive (Equity) Agreement, dated as of May 3, 2018 (the “**Original Agreement**,” and as amended by this Amendment, the “**Agreement**”).

**RECITALS**

**WHEREAS**, the Parties desire to revise the definition of Biological Materials in the Original Agreement and revise certain timelines and diligence milestones set forth in the Original Agreement, all as set forth in this Amendment;

**WHEREAS**, pursuant to Section 19.4 of the Original Agreement, the Original Agreement may be amended in writing executed by authorized representatives of Stanford and LogicBio; and

**WHEREAS**, in accordance with Section 19.4 of the Original Agreement, Stanford and LogicBio desire to amend the Agreement in the manner provided herein.

**AGREEMENT**

**NOW THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound, Stanford and LogicBio hereby agree as follows:

1. Amendment of Agreement.
  - a. The Agreement is hereby amended by deleting the street address “700 Main Street” appearing in the first paragraph of the Agreement and in Section 18.2 of the Agreement and inserting in place thereof the street address “99 Erie Street”.
  - b. Section 2.2 of the Agreement is hereby amended and restated as follows:

“**Biological Material**” means (a) pAAV-DJ and pHelper vectors, (b) NP59 Capsid, (c) LK03 Capsid, (d) pAB269, (e) pAB270, (f) pAB288 and (g) pAB325 ((d)-(g) described in Stanford Docket 16-095), in each case to be provided by Stanford to LogicBio under this Agreement.

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- c. Section 2.32 of the Agreement is hereby amended by:
    - i. deleting the words “the diagnosis, prevention or treatment of human disease via genome editing without a nuclease” appearing in Section 2.32(A)(1) therein and inserting in place thereof the words “the diagnosis, prevention or treatment of human disease, including, for clarity, hemophilia A and Alpha-1 antitrypsin disease, via genome editing without a nuclease”.
    - ii. deleting the words “[\*\*\*]” appearing therein and inserting in place thereof the words “[\*\*\*]”.
  - d. Section 3.1(A)(2) of the Agreement is hereby amended by including the following as the final sentence of the Agreement: “For clarity, the license is Exclusive for the GT Licensed Patents with respect to any indication that is then included within the Tissue Field of Use, regardless of whether such indication is also included within the Non-Exclusive Field of Use.”
  - e. Section 3.3 of the Agreement is hereby amended by deleting the words “[\*\*\*]” appearing therein and inserting in place thereof the words “[\*\*\*]”.
  - f. Section 6.3 of the Agreement is hereby amended by deleting the words “first anniversary” appearing therein and inserting in place thereof the words “second anniversary”.
  - g. Appendix C – Milestones of the Agreement is hereby amended by replacing Appendix C of the Agreement with the Appendix A of this Amendment.
  - h. Appendix E – Technology of the Agreement is hereby deleted in its entirety and replaced with Appendix B of this Amendment.
2. Payment. LogicBio will pay to Stanford a noncreditable, nonrefundable fee of Twenty Thousand Dollars (\$20,000) within [\*\*\*] business days of the Amendment Effective Date.
  3. Continued Validity of Agreement. Except as specifically amended hereby, the Agreement shall continue in full force and effect as originally constituted and is ratified and affirmed by the parties hereto.
  4. Successors and Assigns. The terms and conditions of this Amendment shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Amendment, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations or liabilities under or by reason of this Amendment, except as expressly provided in this Amendment.
  5. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of California, United States of America, applicable to agreements negotiated, executed, and performed within California.
  6. Electronic Copy. This parties to this Amendment agree that a copy of the original signature (including an electronic copy) may be used for any and all purposes for which the original signature may have been used. The parties further waive any right to challenge the admissibility or authenticity of this document in a court of law based solely on the absence of an original signature.

[Signature Pages to Follow]

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The parties execute this Amendment in duplicate originals by their duly authorized officers or representatives.

**THE BOARD OF TRUSTEES OF THE LELAND STANFORD JUNIOR UNIVERSITY**

Signature: /s/ Mona Wan (Jun 21, 2019)

Name: Mona Wan

Title: Associate Director

**LOGICBIO THERAPEUTICS, INC.**

Signature: /s/ Frederic Chereau

Name: Frederic Chereau

Title: Chief Executive Officer

SIGNATURE PAGE TO AMENDMENT TO AMENDED AND RESTATED EXCLUSIVE (EQUITY) AGREEMENT

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Appendix A

1. [\*\*\*]
2. [\*\*\*]
3. [\*\*\*]
4. [\*\*\*]
5. [\*\*\*]
6. [\*\*\*]
7. [\*\*\*]
8. [\*\*\*]
9. [\*\*\*]
10. [\*\*\*]

**Product 2**

1. [\*\*\*]
2. [\*\*\*]
3. [\*\*\*]
4. [\*\*\*]
5. [\*\*\*]
6. [\*\*\*]

**Product 3 for [\*\*\*] indication**

1. [\*\*\*]
2. [\*\*\*]
3. [\*\*\*]
4. [\*\*\*]
5. [\*\*\*]
6. [\*\*\*]

**[\*\*\*] Field Milestones**

1. [\*\*\*]
2. [\*\*\*]
3. [\*\*\*]
4. [\*\*\*]
5. [\*\*\*]
6. [\*\*\*]
7. [\*\*\*]
8. [\*\*\*]

[\*\*]

**Certification of Principal Executive Officer pursuant to Exchange Act Rules 13a-14(a)  
and 15d-14(a), as adopted pursuant to Section 302 of Sarbanes-Oxley Act of 2002**

I, Frederic Chereau, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of LogicBio Therapeutics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report), that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Frederic Chereau

Frederic Chereau

President and Chief Executive Officer

Dated: August 13, 2019

**Certification of Principal Financial Officer pursuant to Exchange Act Rules 13a-14(a)  
and 15d-14(a), as adopted pursuant to Section 302 of Sarbanes-Oxley Act of 2002**

I, Matthias Jaffé, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of LogicBio Therapeutics, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report), that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Matthias Jaffé

Matthias Jaffé

Chief Financial Officer

Dated: August 13, 2019

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

In connection with the Quarterly Report on Form 10-Q of LogicBio Therapeutics, Inc. (the "Company") for the quarter ended June 30, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the company, hereby certifies, pursuant to Section 1350 of Chapter 63 of Title 18, United States Code, that to the best of his knowledge:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 13, 2019

/s/ Frederic Chereau  
Frederic Chereau  
President and Chief Executive Officer

Dated: August 13, 2019

/s/ Matthias Jaffé  
Matthias Jaffé  
Chief Financial Officer