

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 14, 2022

Allakos Inc.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-38582
(Commission File Number)

45-4798831
(IRS Employer
Identification No.)

975 Island Drive, Suite 201
Redwood City, California
(Address of Principal Executive Offices)

94065
(Zip Code)

Registrant's Telephone Number, Including Area Code: 650 597-5002

(Former Name or Former Address, if Changed Since Last Report)

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

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

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001	ALLK	The Nasdaq Global Select Market

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

Emerging growth company

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

Item 1.01 Entry into a Material Definitive Agreement.

As previously disclosed, Allakos Inc. (the “Company”) and Lonza AG or affiliates thereof have entered into various manufacturing services agreements (such agreements, the “MSAs”). On February 14, 2022 (the “Effective Date”), the Company entered into a termination agreement (the “Termination Agreement”) with Lonza AG, Lonza Sales Ltd and Lonza Sales AG (collectively, “Lonza”) terminating such MSAs as of such date. Lonza will continue to provide certain services to the Company, including completion of batches already underway. The Termination Agreement provides that the Company shall pay 126,000,000 Swiss Francs (the “Termination Amount”) to Lonza as a result of such termination, 95% of which is to be paid within 30 days after the Effective Date, and 5% of which is to be paid within 30 days of the release of the remaining cGMP batches. If the Company fails to pay the first 95% of the Termination Amount to Lonza within 30 days of the Effective Date, Lonza may at its option give notice to the Company that the Termination Agreement is terminated. The Termination Agreement contains mutual releases by all parties thereto, for all claims known and unknown, relating and arising out of, or connected with, the MSAs and the subject matter(s) thereof, subject to certain exceptions.

In addition, as of the Effective Date, Lonza held or had placed orders for raw materials to be used in the course of services Lonza was to provide to the Company. Pursuant to the Termination Agreement, the cost of such raw materials is included in the Termination Amount, and the Company shall hold title to such raw materials and may repurpose where possible.

The foregoing description of the Termination Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Termination Agreement, a copy of which the Company anticipates filing as an exhibit to the Company’s Annual Report on Form 10-K for the year ending December 31, 2021.

Item 1.02 Termination of a Material Definitive Agreement.

The information contained in Item 1.01 of this Current Report on Form 8-K is incorporated by reference herein and made a part hereof.

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.

Allakos Inc.

Date: February 16, 2022

By: /s/ H. Baird Radford, III
H. Baird Radford, III
Chief Financial Officer
