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

FORM 10-Q

(Mark One)

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

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2025

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 0-29889

Rigel Pharmaceuticals, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**94-3248524**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
611 Gateway Boulevard, Suite 900, South San Francisco, CA (Address of principal executive offices)	**94080** (Zip Code)

(650) 624-1100
(Registrant's telephone number, including area code)

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

Title of each class:	**Trading Symbol**	**Name of each exchange on which registered:**
Common Stock, par value $0.001 per share	RIGL	The Nasdaq Stock Market LLC

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, a 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 ☐	Accelerated filer ☒
Non-accelerated filer ☐	Smaller reporting company ☐
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. ☐

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 October 30, 2025, there were 18,151,344 shares of the registrant's Common Stock outstanding.

RIGEL PHARMACEUTICALS, INC.
QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2025

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

RIGEL PHARMACEUTICALS, INC.
CONDENSED BALANCE SHEETS
(In thousands)

	As of	
	September 30, 2025 (unaudited)	December 31, 2024 (1)
Assets		
Current assets:		
Cash and cash equivalents	$ 48,534	$ 56,746
Short-term investments	88,609	20,575
Accounts receivable, net	45,925	41,615
Inventories	13,303	6,002
Prepaid and other current assets	18,556	10,165
Total current assets	214,927	135,103
Property and equipment, net	54	92
Intangible assets, net	25,336	27,100
Operating lease right-of-use assets	1,050	246
Other assets	1,167	1,435
Total assets	$ 242,534	$ 163,976
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 3,846	$ 3,339
Accrued compensation	10,065	10,139
Accrued research and development	4,816	4,073
Acquisition-related liabilities	5,000	—
Revenue reserves and refund liability	30,020	26,440
Loans payable, net, current portion	29,761	7,272
Other accrued liabilities	8,943	10,396
Deferred revenue	1,355	1,355
Lease liabilities, current portion	594	285
Total current liabilities	94,400	63,299
Acquisition-related liabilities	—	5,000
Long-term portion of lease liabilities	556	—
Long-term portion of loans payable, net	29,969	52,408
Other long-term liabilities	—	39,981
Total liabilities	124,925	160,688
Commitments		
Stockholders' equity:		
Common stock	18	18
Additional paid-in capital	1,408,601	1,393,325
Accumulated other comprehensive income	96	10
Accumulated deficit	(1,291,106)	(1,390,065)
Total stockholders' equity	117,609	3,288
Total liabilities and stockholders' equity	$ 242,534	$ 163,976

(1) The balance sheet as of December 31, 2024 has been derived from the audited financial statements included in Rigel's Annual Report on Form 10-K for the year ended December 31, 2024 filed with the Securities and Exchange Commission (SEC) on March 4, 2025.

See Accompanying Notes to Condensed Financial Statements

RIGEL PHARMACEUTICALS, INC.
CONDENSED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Revenues:				
Product sales, net	$ 64,067	$ 38,927	$ 166,565	$ 98,380
Contract revenues from collaborations	5,395	16,380	57,915	23,302
Total revenues	69,462	55,307	224,480	121,682
Costs and expenses:				
Cost of product sales	4,753	8,026	13,666	12,858
Research and development	7,353	6,182	22,610	17,748
Selling, general and administrative	28,936	27,043	85,908	83,539
Total costs and expenses	41,042	41,251	122,184	114,145
Income from operations	28,420	14,056	102,296	7,537
Interest income	1,094	425	2,438	1,570
Interest expense	(1,894)	(2,060)	(5,621)	(5,963)
Income before income taxes	27,620	12,421	99,113	3,144
(Benefit from) provision for income taxes	(280)	—	154	—
Net income	$ 27,900	$ 12,421	$ 98,959	$ 3,144
Net income per share				
Basic	$ 1.55	$ 0.71	$ 5.52	$ 0.18
Diluted	$ 1.46	$ 0.70	$ 5.38	$ 0.18
Weighted average shares used in computing net income per share				
Basic	18,038	17,600	17,912	17,556
Diluted	19,156	17,648	18,379	17,599

See Accompanying Notes to Condensed Financial Statements

RIGEL PHARMACEUTICALS, INC.
CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income	$ 27,900	$ 12,421	$ 98,959	$ 3,144
Other comprehensive income:				
Net unrealized income on short-term investments	90	20	86	3
Comprehensive income	$ 27,990	$ 12,441	$ 99,045	$ 3,147

See Accompanying Notes to Condensed Financial Statements

RIGEL PHARMACEUTICALS, INC.
CONDENSED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
(In thousands, except share amounts)
(unaudited)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount				
Balance as of January 1, 2025	17,710,216	$ 18	$ 1,393,325	$ 10	$ (1,390,065)	$ 3,288
Net income	—	—	—	—	11,446	11,446
Net change in unrealized loss on short-term investments	—	—	—	(12)	—	(12)
Issuance of common stock upon exercise of options, net of shares withheld	30,892	—	484	—	—	484
Issuance of common stock upon vesting of restricted stock units (RSUs)	125,783	—	—	—	—	—
Stock-based compensation expense	—	—	3,361	—	—	3,361
Balance as of March 31, 2025	17,866,891	18	1,397,170	(2)	(1,378,619)	18,567
Net income	—	—	—	—	59,613	59,613
Net change in unrealized gain on short-term investments	—	—	—	8	—	8
Issuance of common stock upon exercise of options, net of shares withheld, and participation in Purchase Plan	52,295	—	418	—	—	418
Issuance of common stock upon vesting of RSUs	17,908	—	—	—	—	—
Stock-based compensation expense	—	—	3,328	—	—	3,328
Balance as of June 30, 2025	17,937,094	18	1,400,916	6	(1,319,006)	81,934
Net income	—	—	—		27,900	27,900
Net change in unrealized gain on short-term investments	—	—	—	90	—	90
Issuance of common stock upon exercise of options	206,890	—	4,271	—	—	4,271
Stock-based compensation expense	—	—	3,414	—	—	3,414
Balance as of September 30, 2025	18,143,984	$ 18	$ 1,408,601	$ 96	$ (1,291,106)	$ 117,609

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' (Deficit)
	Shares	Amount				
Balance as of January 1, 2024	17,482,513	$ 17	$ 1,378,881	$ 8	$ (1,407,550)	$ (28,644)
Net loss	—	—	—	—	(8,247)	(8,247)
Net change in unrealized loss on short-term investments	—	—	—	(13)	—	(13)
Issuance of common stock upon exercise of options	9,066	—	89	—	—	89
Issuance of common stock upon vesting of RSUs	48,658	—	—	—	—	—
Stock-based compensation expense	—	—	5,144	—	—	5,144
Balance as of March 31, 2024	17,540,237	17	1,384,114	(5)	(1,415,797)	(31,671)
Net loss	—	—	—	—	(1,030)	(1,030)
Net change in unrealized loss on short-term investments	—	—	—	(4)	—	(4)
Issuance of common stock upon exercise of options and participation in Purchase Plan	36,130	—	252	—	—	252
Issuance of common stock upon vesting of RSUs	17,750	—	—	—	—	—
Stock-based compensation expense	—	—	2,539	—	—	2,539
Balance as of June 30, 2024	17,594,117	17	1,386,905	(9)	(1,416,827)	(29,914)
Net income	—	—	—	—	12,421	12,421
Net change in unrealized gain on short-term investments	—	—	—	20	—	20
Issuance of common stock upon exercise of options	16,363	—	158	—	—	158
Issuance of common stock upon vesting of RSUs	2,500	—	—	—	—	—
Stock-based compensation expense	—		2,679	—	—	2,679
Balance as of September 30, 2024	17,612,980	$ 17	$ 1,389,742	$ 11	$ (1,404,406)	$ (14,636)

See Accompanying Notes to Condensed Financial Statements

RIGEL PHARMACEUTICALS, INC.
CONDENSED STATEMENTS OF CASH FLOWS
(In thousands)
(unaudited)

	Nine Months Ended September 30,	
	2025	2024
Operating activities		
Net income	$ 98,959	$ 3,144
Adjustments to reconcile net income to net cash provided by operating activities:		
Stock-based compensation expense	9,963	10,306
Gain on sale and disposal of fixed assets	—	(23)
Depreciation and amortization	1,814	1,624
Release of cost share liability	(39,981)	—
Net amortization of discount on short-term investments and term loans	(907)	(433)
Changes in assets and liabilities:		
Accounts receivable, net	(4,310)	(25)
Inventories	(6,766)	(1,161)
Prepaid and other current and non-current assets	(8,461)	(3,484)
Right-of-use assets	(804)	456
Accounts payable	507	(3,327)
Accrued compensation	(74)	(752)
Accrued research and development	743	80
Revenue reserves and refund liability	3,580	6,508
Other accrued liabilities	(1,453)	4,566
Lease liabilities	865	(511)
Net cash provided by operating activities	53,675	16,968
Investing activities		
Maturities of short-term investments	47,580	32,950
Purchases of short-term investments	(114,571)	(17,562)
Capital expenditures	(12)	(10)
Payments for acquisition of intangible assets	—	(360)
Proceeds from sale of property and equipment	—	26
Net cash (used in) provided by investing activities	(67,003)	15,044
Financing activities		
Net proceeds from issuance of common stock from equity plans	5,173	499
Closing purchase price payment related to asset acquisition	—	(10,000)
Cost share payments to a collaboration partner	—	(3,605)
Net cash provided by (used in) financing activities	5,173	(13,106)
Net (decrease) increase in cash, cash equivalents and restricted cash	(8,155)	18,906
Cash and cash equivalents at beginning of period	56,746	32,786
Cash, cash equivalents, and restricted cash at end of period	$ 48,591	$ 51,692
Supplemental disclosure of cash flow information		
Interest paid	$ 5,009	$ 5,292
Increase in right-of-use assets and lease liabilities	$ 1,220	$ —
Acquisition-related liabilities	$ 5,000	$ 5,000

See Accompanying Notes to Condensed Financial Statements

Rigel Pharmaceuticals, Inc.
Notes to Condensed Financial Statements
(unaudited)

In this report, "Rigel," "we," "us" and "our" refer to Rigel Pharmaceuticals, Inc.

1. Organization and Summary of Significant Accounting Policies

Description of Business

We are a biotechnology company dedicated to developing and providing novel therapies that significantly improve the lives of patients with hematologic disorders and cancer. We focus on products that address signaling pathways that are critical to disease mechanisms.

TAVALISSE® (fostamatinib disodium hexahydrate) is our first product approved by the US Food and Drug Administration (FDA). TAVALISSE is the only approved oral spleen tyrosine kinase (SYK) inhibitor for the treatment of adult patients with chronic immune thrombocytopenia (ITP) who have had an insufficient response to a previous treatment. The product is also commercially available in Europe and the United Kingdom (UK) (as TAVLESSE), and in Canada, Israel, Japan and the Republic of Korea (Korea) (as TAVALISSE) for the treatment of chronic ITP in adult patients.

REZLIDHIA® (olutasidenib) is our second FDA-approved product. REZLIDHIA capsules are indicated for the treatment of adult patients with relapsed or refractory (R/R) acute myeloid leukemia (AML) with a susceptible isocitrate dehydrogenase-1 (IDH1) mutation as detected by an FDA-approved test. We in-licensed REZLIDHIA from Forma Therapeutics, Inc., now Novo Nordisk (Forma), with exclusive, worldwide rights for its development, manufacturing and commercialization.

GAVRETO® (pralsetinib) is our third FDA-approved product which we began commercializing in June 2024. GAVRETO is a once daily, small molecule, oral, kinase inhibitor of wild-type rearranged during transfection (RET) and oncogenic RET fusions. GAVRETO is approved by the FDA for the treatment of adult patients with metastatic RET fusion-positive non-small cell lung cancer (NSCLC) as detected by an FDA-approved test. GAVRETO is also approved under accelerated approval based on overall response rate and duration response rate, for the treatment of adult and pediatric patients 12 years of age and older with advanced or metastatic RET fusion-positive thyroid cancer who require systemic therapy and who are radioactive iodine-refractory (if radioactive iodine is appropriate). We acquired the rights to research, develop, manufacture and commercialize GAVRETO in the US from Blueprint Medicines Corporation, now a Sanofi SA company (Blueprint), pursuant to an Asset Purchase Agreement entered in February 2024.

We continue to advance the development of R289, our dual interleukin receptor-associated kinases 1 and 4 (IRAK1/4) inhibitor program, in an open-label, Phase 1b study to determine the safety, tolerability and preliminary efficacy of the drug in patients with lower-risk myelodysplastic syndrome (MDS) who are relapsed, refractory or resistant to prior therapies.

We have strategic development collaborations with The University of Texas MD Anderson Cancer Center (MDACC) to expand our evaluation of olutasidenib in AML and other hematologic cancers with IDH1 mutations, and with Collaborative Network for Neuro-Oncology Clinical Trials (CONNECT) to conduct a Phase 2 clinical trial to evaluate olutasidenib in combination with temozolomide in patients with high-grade glioma (HGG) harboring an IDH1 mutation. We also have a receptor-interacting serine/threonine-protein kinase 1 (RIPK1) inhibitor program in clinical development with our partner Eli Lilly and Company (Lilly).

Basis of Presentation

Our accompanying unaudited condensed financial statements have been prepared in accordance with United States generally accepted accounting principles (US GAAP), for interim financial information and pursuant to the instructions to Form 10-Q and Article 10 of Regulation S-X of the Securities Act of 1933, as amended (Securities Act). Accordingly, they do not include all the information and notes required by US GAAP for complete financial statements.

These unaudited condensed financial statements include only normal and recurring adjustments that we believe are necessary to fairly state our financial position and the results of our operations and cash flows. Interim-period results are not necessarily indicative of results of operations or cash flows for a full-year or any subsequent interim period. The balance sheet as of December 31, 2024 has been derived from audited financial statements at that date but does not include all disclosures required by US GAAP for complete financial statements. Because certain disclosures required by US GAAP for complete financial statements are not included herein, these interim unaudited condensed financial statements and the notes accompanying them should be read in conjunction with our audited financial statements and the notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2024.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Actual results could differ from these estimates.

Significant Accounting Policies

Our significant accounting policies are described in "Note 1 – Description of Business and Summary of Significant Accounting Policies" to our "Notes to Financial Statements" contained in Part II, Item 8, "Financial Statements and Supplementary Data" of our Annual Report on Form 10-K for the year ended December 31, 2024.

Liquidity

As of September 30, 2025, we had approximately $137.1 million in cash, cash equivalents and short-term investments. We finance our operations primarily through sales of our products, and contract payments under our collaboration agreements, as well as through equity securities and debt financing.

Based on our current operating plan, we believe that our existing cash, cash equivalents, and short-term investments will be sufficient to fund our expenses and capital expenditure requirements for at least the next 12 months from the date of issuance of this Form 10-Q.

Recently Issued Accounting Standards

In December 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2023-09, *Improvements to Income Tax Disclosures*, which enhance the annual disclosure requirements regarding the tax rate reconciliation and income taxes paid information. This update is effective for our fiscal year ending December 31, 2025, and maybe adopted on a prospective or retrospective basis. Early adoption is permitted. We are currently evaluating the impact that the adoption of this guidance may have on our annual income tax disclosures.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures.* This new guidance improves the disclosures about a public business entity's expenses by requiring more detailed information about the types of expenses (including purchases of inventory, employee compensation, depreciation and amortization) included within income statement expense captions. This guidance is effective for our annual reporting for the fiscal year ending December 31, 2027, and interim reporting periods beginning for the fiscal year ending December 31, 2028, early adoption is permitted. Upon adoption, this guidance may be applied prospectively to reporting periods after the effective date or retrospectively to all periods presented in the financial statements. We are currently evaluating this guidance and assessing the potential impact on our financial statements and disclosures.

In July 2025, FASB issued ASU 2025-05, *Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which provides a practical expedient to measure credit losses on accounts receivable and contract assets. The ASU is effective for annual periods beginning after December 15, 2025, and interim periods within those annual reporting periods. Early adoption is permitted. We are currently evaluating the timing of the adoption and the impact of this guidance but do not expect it to have a significant impact to our financial statements and disclosures.

Other recently issued accounting guidance not discussed in this Quarterly Report on Form 10-Q are either not applicable or did not have, or are not expected to have, a material impact on us.

2. Net Income Per Share

The following table sets forth the computation of basic and diluted earnings per share (in thousands except per share amounts):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
EPS Numerator:				
Net income	$ 27,900	$ 12,421	$ 98,959	$ 3,144
EPS Denominator—Basic:				
Weighted-average common shares outstanding	18,038	17,600	17,912	17,556
EPS Denominator—Diluted:				
Weighted-average common shares outstanding	18,038	17,600	17,912	17,556
Dilutive effect of stock options, RSUs and shares under Purchase Plan	1,118	48	467	43
Weighted-average shares outstanding and common stock equivalents	19,156	17,648	18,379	17,599
Net income per share				
Basic	$ 1.55	$ 0.71	$ 5.52	$ 0.18
Diluted	$ 1.46	$ 0.70	$ 5.38	$ 0.18

The potential shares of common stock that were excluded from the computation of diluted net income per share for the periods presented because including them would have been antidilutive are as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Stock options	1,166	3,667	2,223	3,668
RSUs	—	107	174	110
Shares under Purchase Plan	—	22	—	22
Total	1,166	3,796	2,397	3,800

3. Revenues

Revenues disaggregated by category were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Product sales:				
Gross product sales	$ 85,624	$ 56,322	$ 225,508	$ 143,728
Discounts and allowances	(21,557)	(17,395)	(58,943)	(45,348)
Total product sales, net	64,067	38,927	166,565	98,380
Revenues from collaborations:				
Release of cost share liability	—	—	39,981	—
License revenue	—	10,000	—	10,000
Milestone revenue	—	—	3,000	—
Delivery of drug supplies, royalty and others	5,395	6,380	14,934	13,302
Total revenues from collaborations	5,395	16,380	57,915	23,302
Total revenues	$ 69,462	$ 55,307	$ 224,480	$ 121,682

Revenue from product sales is related to sales of our commercial products to our customers. For detailed discussions of our revenues from collaborations, see “Note 4 – Sponsored Research and License Agreements.”

Our net product sales include gross product sales, net of chargebacks, discounts and fees, government and other rebates and returns. Of the total discounts and allowances from gross product sales for the nine months ended September 30, 2025 and 2024, $53.6 million and $44.6 million, respectively, was accounted for as additions to revenue reserves and refund liability, and $5.3 million and $0.7 million, respectively, as reductions in accounts receivable (as it relates to allowance for prompt pay discount) and prepaid and other current assets (as it relates to certain chargebacks and other fees that were prepaid) in the condensed balance sheet.

The following tables summarize the activities in chargebacks, discounts and fees, government and other rebates and returns that were accounted for within revenue reserves and refund liability, for each of the periods presented (in thousands):

	Chargebacks, Discounts and Fees	Government and Other Rebates	Returns	Total
Balance as of January 1, 2025	$ 13,374	$ 8,343	$ 4,723	$ 26,440
Provision related to current period sales	40,399	14,261	1,921	56,581
Adjustment related to prior period sales	(307)	(1,287)	(1,357)	(2,951)
Credit or payments made during the period	(40,673)	(8,950)	(427)	(50,050)
Balance as of September 30, 2025	$ 12,793	$ 12,367	$ 4,860	$ 30,020

	Chargebacks, Discounts and Fees	Government and Other Rebates	Returns	Total
Balance as of January 1, 2024	$ 8,236	$ 3,517	$ 3,931	$ 15,684
Provision related to current period sales	34,565	9,167	884	44,616
Credit or payments made during the period	(31,363)	(6,441)	(304)	(38,108)
Balance as of September 30, 2024	$ 11,438	$ 6,243	$ 4,511	$ 22,192

Adjustment related to prior period sales reflect updates to estimates of variable consideration, including chargebacks, rebates, and returns, resulting from actual claims and other information obtained in the current reporting period.

The following table summarizes the percentages of revenues from each of our customers who individually accounted for 10% or more of the total net product sales and revenues from collaborations:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
McKesson Corporation	48%	43%	39%	44%
Cencora, Inc.	23%	19%	17%	20%
Optime Care, Inc.	11%	*	*	*
Cardinal Health, Inc.	10%	*	*	15%
Lilly	—	—	18%	—
Kissei	*	23%	*	14%

* Denotes less than 10%

4. Sponsored Research and License Agreements

Sponsored Research and License Agreements

We conduct research and development programs independently and in connection with our corporate collaborators. We are a party to collaboration agreements with Lilly to develop and commercialize ocadusertib (previously R552), a RIPK1 inhibitor; with Grifols S.A. (Grifols) to commercialize fostamatinib for human diseases in all indications in Grifols territory which includes Europe, the UK, Turkey, the Middle East, North Africa and Russia (including Commonwealth of Independent States (CIS)); with Kissei Pharmaceutical Co., Ltd. (Kissei) to develop and commercialize fostamatinib in Japan, China, Taiwan and Korea, and olutasidenib in Japan, Korea and Taiwan; with Medison Pharma Trading AG (Medison Canada) and Medison Pharma Ltd. (Medison Israel and, together with Medison Canada, Medison) to commercialize fostamatinib in all indications, in Medison territory which includes Canada and Israel; with Knight Therapeutics International SA (Knight) to commercialize fostamatinib in all indications, in Knight territory which includes Latin America, consisting of Mexico, Central and South America, and the Caribbean; and with Dr. Reddy's Laboratories (Dr. Reddy's) to commercialize olutasidenib in Dr. Reddy's territory which includes Latin America, South Africa, India, Australia, New Zealand, and certain countries in the CIS, Southeast Asia region and North Africa.

Further, we are also a party to collaboration agreements, but do not have ongoing performance obligations with BerGenBio ASA, now Oncoinvent ASA (BerGenBio) for the development and commercialization of AXL receptor tyrosine kinase inhibitor, R428 (now referred to as bemcentinib (BGB324)), and with Daiichi Sankyo (Daiichi) to pursue research related to murine double minute 2 (MDM2) inhibitor, DS-3032 (now referred as milademetan).

Under the above existing agreements that we entered into in the ordinary course of business, we received or may be entitled to receive upfront cash payments, payments contingent upon specified events achieved by such partners and royalties on any net sales of products sold by such partners under the agreements. The total potential future contingent payments due to us under all existing collaboration agreements are approximately $1.1 billion, which amount reflects the impact of Lilly's notice of intent to terminate the central nervous system (CNS) disease program in October 2025, as discussed in more detail below, and assumes that all potential product candidates achieve every payment-triggering milestone under our current agreements. Of this amount, $179.5 million relates to the achievement of development events, $270.6 million relates to the achievement of regulatory events and $637.0 million relates to the achievement of certain commercial events. This estimated future contingent amount does not include any estimated royalties that could be due to us if the partners successfully commercialize any of the licensed products. Future events that may trigger payments to us under the agreements are based solely on our partners' future efforts and achievements of specified development, regulatory and/or commercial events.

We account for the milestone payments when such milestones are considered probable of being achieved, and estimate the amount to be included in the transaction price using the most likely amount method. If it is probable that a significant revenue reversal would not occur, the associated milestone value is included in the transaction price. Milestone payments that are not within our or the licensee's control, such as regulatory approvals, are not considered probable of being achieved until uncertainty associated with the approvals has been resolved. The transaction price is then allocated to each performance obligation, on a relative standalone selling price basis, for which we recognize revenue as or when the performance obligations under the contract are satisfied. At the end of each subsequent reporting period, we re-evaluate the probability of achieving such milestones and any related constraint, and if necessary, adjust our estimate of the overall transaction price. Any such adjustments are recorded on a cumulative catch-up basis, and recorded as part of contract revenues from collaborations during the period of adjustment.

Global Exclusive License Agreement with Lilly

We have a global exclusive license agreement and strategic collaboration with Lilly entered in February 2021, which became effective in March 2021 upon clearance under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, and was amended in September 2023 (first amendment), March 2024 (second amendment), and in August 2025 (third amendment) (collectively, Lilly Agreement). The collaboration is to develop and commercialize ocadusertib (previously R552) for the treatment of non-central nervous system (non-CNS) diseases, and additional RIPK1 inhibitors for the treatment of CNS diseases. Pursuant to the terms of the Lilly Agreement, we granted Lilly the exclusive rights to develop and commercialize ocadusertib and related RIPK1 inhibitors in all indications worldwide. The parties'

collaboration is governed through a joint governance committee and appropriate subcommittees.

Under the terms of the Lilly Agreement, we were entitled to receive a non-refundable and non-creditable upfront cash payment amounting to $125.0 million, which we received in April 2021. We are also entitled to additional milestone payments for non-CNS disease products consisting of up to $330.0 million in milestone payments upon the achievement of specified development, regulatory and commercial milestones, and up to $100.0 million in sales milestone payments on a product-by-product basis. In addition, depending on the extent of our co-funding of ocadusertib development activities, we would be entitled to receive tiered royalty payments on net sales of non-CNS disease products at percentages ranging from the mid-single digits to high-teens, subject to certain standard reductions and offsets. Under the terms of the Lilly Agreement, we were also eligible to receive milestone payments for CNS disease products consisting of up to $256.0 million in milestone payments upon the achievement of specified development, regulatory and commercial milestones, up to $150.0 million in sales milestone payments on a product-by-product basis, and tiered royalty payments on net sales of CNS disease products up to low-double digits, subject to certain standard reductions and offsets. On October 1, 2025, we received a notice from Lilly of its intent to terminate the CNS disease program under the Lilly Agreement, which will become effective sixty (60) days following notification. Following the termination of the CNS disease program, we do not believe we will be entitled to receive any future milestone and royalty payments associated with this program.

Under the Lilly Agreement, we were responsible for performing and funding initial discovery and identification of CNS disease development candidates. Following candidate selection, Lilly is responsible for performing and funding all future development and commercialization of the CNS disease development candidates. Under the Lilly Agreement, we are responsible for 20% of the development costs for ocadusertib in the US, Europe, and Japan, up to a specified cap, and Lilly is responsible for funding the remainder of all development activities for ocadusertib and other non-CNS disease development candidates. Pursuant to the terms of the Lilly Agreement, we have the right to opt-out of co-funding the ocadusertib development activities in the US, Europe and Japan at two different specified times and as a result receive lesser royalties from sales. Under the Lilly Agreement, the first opt-out right was exercised prior to September 30, 2023, and we were therefore required to fund our share of the ocadusertib development activities up to a maximum funding commitment of $65.0 million through April 1, 2024.

We accounted for this agreement under ASC 606. At the inception of the Lilly Agreement, given our rights to opt-out from the development of ocadusertib, we believed at the minimum, we had a commitment to fund the development costs up to $65.0 million as discussed above. We considered this commitment to fund the development costs as a significant financing component of the contract, which we accounted for as a reduction of the upfront fee to derive the transaction price. This financing component was recorded as a liability at its net present value of approximately $57.9 million using a 6.4% discount rate and interest was accreted on such liability over the expected commitment period, adjusted for timing of expected cost share payments. We allocated the net transaction price of $67.1 million to each performance obligation based on our best estimate of its relative standalone selling price using the adjusted market assessment approach. The transaction price allocated to the non-CNS penetrant IP of $60.4 million was recognized as revenue upon delivery of the non-CNS penetrant IP to Lilly during the first quarter of 2021. The transaction price allocated to the CNS penetrant IP of $6.7 million was recognized as revenue from the effective date of the Lilly Agreement through the eventual acceptance by Lilly in June 2022 using the input method. There was no outstanding deferred revenue related to Lilly Agreement as of September 30, 2025 and December 31, 2024.

In September 2023, we provided our first-opt out notice to Lilly, and concurrently entered into an amendment to the Lilly Agreement. The amended Lilly Agreement provided, among others that if we exercise our first opt-out right, we have the right to opt-in to the co-funding of ocadusertib development, upon us providing notice to Lilly within 30 days of certain events as specified in the Lilly Agreement, and as a result receive greater royalties from sales. If we exercised our opt-in right, we would be required to continue to share in global development costs, capped at a specified amount and for a specified period if the second opt-out right was exercised.

As discussed above, following us providing the first opt-out notice to Lilly, our cost share obligation for ocadusertib development ended on April 1, 2024. We paid Lilly a total of $21.4 million for our share of development costs incurred through April 1, 2024. As of December 31, 2024, the outstanding liability to Lilly reported within other long-term liabilities in the condensed balance sheets amounted to $40.0 million. Although our cost share obligation for the ocadusertib development ended on April 1, 2024, the remaining cost share liability was not released in the periods

prior to us providing the notice to Lilly not to exercise our opt-in right because we were not able to conclude that it was probable that a significant reversal of the amount of revenue, if recognized, would not occur until the likelihood of us exercising our opt-in right became remote, or when the opt-in right period lapsed.

On April 30, 2025, we provided notice to Lilly of our decision not to exercise our opt-in right following our evaluation of certain events specified in the Lilly Agreement. Following this notification, we are no longer obligated to share in any future global development costs. As such, we released the $40.0 million remaining cost share liability and recognized the amount as contract revenues from collaboration in the second quarter of 2025.

Grifols License Agreement

We have an exclusive commercialization license agreement with Grifols entered in January 2019 with exclusive rights to commercialize fostamatinib for human diseases, and non-exclusive rights to develop fostamatinib in Grifols territory. Under the agreement, we received an upfront payment of $30.0 million, with the potential for $297.5 million in total regulatory and commercial milestones. We are also entitled to receive stepped double-digit royalty payments based on tiered net sales which may reach 30% of net sales. In January 2020, the European Commission (EC) granted a centralized Marketing Authorization (MA) for fostamatinib valid throughout the European Union (EU) and in the UK after the departure of the UK from the EU for the treatment of chronic ITP in adult patients who are refractory to other treatments. With this approval, in February 2020, we received $20.0 million non-refundable payment, composed of a $17.5 million payment due upon Marketing Authorization Application (MAA) approval by the European Medicines Agency (EMA) of fostamatinib for the first indication and a $2.5 million creditable advance royalty payment, based on the terms of our collaboration agreement with Grifols. We accounted for this agreement under ASC 606, and recognized the corresponding revenue in the period we satisfied the performance obligations. There was no outstanding deferred revenue related to the Grifols license agreement as of September 30, 2025 and December 31, 2024.

We have a commercial supply agreement with Grifols entered in October 2020 to supply and sell our drug product priced at a certain markup specified in the agreement, in quantities Grifols orders from us pursuant to and in accordance with the agreement. Revenue recognized related to the delivery of drug supply to Grifols for the three months ended September 30, 2025 and 2024 was $1.2 million and $2.0 million, respectively, and for the nine months ended September 30, 2025 and 2024 was $4.9 million and $2.0 million, respectively.

We recognize royalty revenue from Grifols included within contract revenues from collaboration. Royalty revenue recognized for the three months ended September 30, 2025 and 2024 was $1.9 million and $1.3 million, respectively, and for the nine months ended September 30, 2025 and 2024 was $5.0 million and $3.5 million, respectively.

Kissei License Agreements

We have a collaboration and license agreement with Kissei entered in September 2024 to grant exclusive rights to Kissei to develop and commercialize olutasidenib in all human diseases in Japan, Korea and Taiwan. Kissei is responsible for performing and funding the development activities for olutasidenib in the Kissei territory and we retained the co-exclusive right to conduct development activities in the Kissei territory solely for the purpose of supporting and obtaining regulatory approval of and commercializing olutasidenib in the world outside the Kissei territory. Under the terms of the agreement, we received a one-time, non-refundable, and non-creditable upfront cash payment of $10.0 million, with the potential for up to an additional $152.5 million in development, regulatory and commercial milestone payments, and will receive mid twenty to lower thirty percent, tiered, escalated net sales-based payments for the supply of olutasidenib, subject to certain standard reductions and offsets. Pursuant to the agreement, Kissei is responsible for companion diagnostic development in Japan, for which we will share 50% of the costs incurred by Kissei, up to $3.0 million, which are creditable against future milestones and transfer price payments owed to us. We remain responsible for the manufacture and supply of olutasidenib for all development and commercialization activities under the agreement. Pursuant to the concurrently executed supply agreement, we will supply Kissei with bulk drug product for use under the collaboration and license agreement. We accounted for this agreement following ASC 606 and concluded at the inception of the agreement, the upfront cash payment of $10.0 million was the consideration for granting the license right to Kissei, and there are no other material deliverables associated with the upfront payment. Accordingly, we recognized the upfront payment as revenue during the third quarter of 2024.

We also have an exclusive license and supply agreement with Kissei entered in October 2018, amended in November 2022, October 2023, August 2024, September 2024 and October 2024, to develop and commercialize fostamatinib in all current and potential indications in Japan, China, Taiwan and Korea. Kissei is responsible for performing and funding all development activities for fostamatinib in the above-mentioned territories. At the inception of the agreement, we received an upfront cash payment of $33.0 million. Further, the agreement provides for up to $115.0 million in potential development, regulatory and commercial milestone payments, and mid- to upper twenty percent, tiered, escalated net sales-based payments for the supply of fostamatinib. Under the agreement, we granted Kissei the license rights to fostamatinib in Kissei's territory and are obligated to supply Kissei with drug product for use in clinical trials and pre-commercialization activities. We are also responsible for the manufacture and supply of fostamatinib for all future development and commercialization activities. We accounted for this agreement under ASC 606, and recognized the corresponding revenue in the period we satisfied the performance obligations. As of September 30, 2025 and December 31, 2024, the remaining deferred revenue was related to the material right associated with discounted fostamatinib supply which amounted to $1.4 million. No revenue was recognized during the three and nine months ended September 30, 2025 and 2024 associated with the remaining performance obligation.

In April 2022, Kissei announced that an NDA for fostamatinib in chronic ITP was submitted to Japan's Pharmaceuticals and Medical Devices Agency (PMDA), and in December 2022, Kissei announced that Japan's PMDA approved the NDA. Following such milestones, we were entitled to receive a total of $25.0 million non-refundable and non-creditable milestone payments that we recognized as revenue in 2022. In January 2025, Kissei announced the Korean Ministry of Food and Drug Safety approved fostamatinib for the treatment of chronic ITP, which entitled us to receive a $3.0 million non-refundable and non-creditable milestone payment that we recognized as revenue in the first quarter of 2025.

Revenue recognized related to the delivery of drug supply to Kissei for the three months ended September 30, 2025 and 2024 was $1.8 million and $3.0 million, respectively, and for the nine months ended September 30, 2025 and 2024 was $3.9 million and $7.5 million, respectively.

Medison Commercial and License Agreements

We have exclusive commercial and license agreements with Medison entered in October 2019 for the commercialization of fostamatinib for chronic ITP in Medison territory, pursuant to which, we received a $5.0 million upfront payment with respect to the agreement in Canada. We accounted for this agreement under ASC 606, and recognized the revenue in the period we satisfied the performance obligation. There was no outstanding deferred revenue related to Medison commercial and license agreement as of September 30, 2025 and December 31, 2024.

Revenue recognized from Medison related to delivery of drug supply and earned royalties for the three months ended September 30, 2025 and 2024 was $0.2 million and $0.1 million, respectively, and for the nine months ended September 30, 2025 and 2024 was $0.8 million and $0.2 million, respectively.

Knight Commercial License and Supply Agreement

We have commercial license and supply agreements with Knight entered in May 2022 for the commercialization of fostamatinib for approved indications in Knight territory. Pursuant to such commercial license agreement, we received a $2.0 million one-time, non-refundable, and non-creditable upfront payment, with potential for up to an additional $20.0 million in regulatory and sales-based commercial milestone payments, and will receive twenty- to mid-thirty percent, tiered, escalated net-sales based royalty payments for products sold in the Knight territory. We accounted for this agreement under ASC 606, and recognized the revenue in the period we satisfied the performance obligation. There was no outstanding deferred revenue related to Knight commercial and license agreement as of September 30, 2025 and December 31, 2024. We are also responsible for the exclusive manufacture and supply of fostamatinib for all future development and commercialization activities under the agreement. No revenue was recognized during the three and nine months ended September 30, 2025 and 2024 from Knight.

Dr. Reddy's Commercial License Agreement

We have a commercial license agreement with Dr. Reddy's entered in November 2024, pursuant to which, we granted Dr. Reddy's an exclusive license to develop and commercialize olutasidenib in Dr. Reddy's territory. Pursuant to

the commercial license agreement, we were entitled to receive a $4.0 million one-time, non-refundable and non-creditable upfront payment, which amount, net of applicable foreign withholding taxes was received in February 2025. In addition, we are entitled to a potential for up to an additional $36.0 million in regulatory and sales-based commercial milestone payments, and will receive high teens- to thirty percent, tiered, escalated net-sales based royalty payments for products sold in Dr. Reddy's territory, subject to certain standard reductions and offsets. Dr. Reddy's is responsible for performing and funding all development activities necessary to obtain regulatory approval and commercialize olutasidenib in the Dr. Reddy's territory. We are responsible for the exclusive manufacture and supply of olutasidenib for all future development and commercialization activities under the agreement. We accounted for this agreement following ASC 606 and concluded at the inception of the agreement, the upfront cash payment of $4.0 million was the consideration for granting the license right to Dr. Reddy's, which revenue was recognized during the fourth quarter of 2024. In August 2025, we entered into a supply agreement with Dr. Reddy's. During the three and nine months ended September 30, 2025, we recognized $0.1 million of revenue related to delivery of drug supply to Dr. Reddy's.

Strategic Development Collaborations with MDACC and CONNECT

We have a Strategic Collaboration Agreement with MDACC, a comprehensive cancer research, treatment, and prevention center, entered in December 2023. The collaboration will expand our evaluation of olutasidenib in AML and other hematologic cancers. Under the collaboration, we will provide MDACC the study materials and $15.0 million in time-based milestone payments as compensation for services to be provided for the studies, over the five-year collaboration term, unless terminated earlier as provided for in the agreement. Through September 30, 2025, we provided $5.3 million funding to MDACC.

In January 2024, we announced our collaboration with CONNECT, an international collaborative network of pediatric cancer centers, to conduct a Phase 2 clinical trial to evaluate olutasidenib in glioma. Under the collaboration, we will provide funding up to $3.0 million and study material over the four-year collaboration.

We account for the funding we provide under the above research collaboration agreements as prepaid research and development in the condensed balance sheet to the extent the payment is made in advance of services being rendered, and recognize such amount as research and development expense within the statements of operations as the collaborative partners render the services under the respective agreement.

5. In-licensing and Acquisition

Asset Purchase Agreement with Blueprint

We acquired the US rights to research, develop, manufacture and commercialize GAVRETO from Blueprint pursuant to an Asset Purchase Agreement entered in February 2024. The acquired assets from Blueprint include, among other things, applicable intellectual property related to pralsetinib in the US, including patents, copyrights and trademarks, as well as clinical regulatory and commercial data and records. Pursuant to the Asset Purchase Agreement, we agreed to pay a purchase price of $15.0 million, of which, $10.0 million was payable upon our first commercial sale of GAVRETO and an additional $5.0 million is payable on the first anniversary of the closing date of the agreement, subject to certain conditions. Blueprint is also eligible to receive up to $97.5 million in future commercial milestone payments and up to $5.0 million in future regulatory milestone payments. The potential regulatory milestones include full regulatory approval of pralsetinib (or related compounds) for the treatment of adult RET-fusion positive thyroid cancer, and maintenance of the current regulatory approval of pralsetinib for the treatment of adult RET-fusion positive thyroid cancer during the period beginning on February 22, 2024 and ending on the third anniversary of the first commercial sale of pralsetinib subject to certain conditions. Subject to the terms and conditions of the Asset Purchase Agreement, Blueprint would be entitled to tiered royalty payments on net sales of products containing pralsetinib (or related compounds) ranging from 10% to 30%, subject to certain reductions and offsets.

We accounted for this transaction as an asset acquisition in accordance with ASC 805 *Business Combinations* (ASC 805) because substantially all of the fair value of the gross assets acquired is concentrated in a single asset, which is the GAVRETO product rights. The GAVRETO product rights comprised developed technology, customers, trademarks and trade name, and are considered a single asset as they are inextricably linked.

The total purchase price consideration amounted to $15.4 million, comprised the closing purchase price of $15.0 million and transaction costs of $0.4 million. Of the total closing purchase price, $10.0 million was paid in July 2024. The remaining $5.0 million was outstanding and presented as acquisition-related liabilities in the condensed balance sheet as of September 30, 2025 and December 31, 2024. We classify the outstanding acquisition-related liabilities as current or non-current liabilities based on the period the amount is expected to be due as of the balance sheet date. In accordance with the guidance, we classify payments of the closing purchase price under financing activity in the condensed statements of cash flows, considering that the payments are not made soon after the acquisition date.

Since we acquired a single asset, the total purchase consideration was recorded as intangible assets at acquisition date. The related intangible assets are being amortized on a straight-line basis over the estimated useful life of 12 years, and the related amortization is recorded within cost of product sales. The contingent considerations relating to future commercial and regulatory milestones were not included in the total purchase price consideration, and will be accounted for when the contingency is resolved and the consideration becomes payable. Royalties are recognized within cost of product sales, as revenue from GAVRETO product sales is recognized.

License and Transition Services Agreement with Forma

We have a license and transition services agreement with Forma entered in July 2022, for an exclusive license to develop, manufacture and commercialize olutasidenib, a proprietary inhibitor of mutated IDH1 (mIDH1), for any uses worldwide, including for the treatment of AML and other malignancies. Pursuant to the terms of the license and transition services agreement, we paid an upfront fee of $2.0 million, with the potential to pay up to $67.5 million of additional payments upon achievement of specified development and regulatory milestones and up to $165.5 million of additional payments upon achievement of certain commercial milestones. In addition, subject to the terms and conditions of the license and transition services agreement, Forma would be entitled to tiered royalty payments on net sales of licensed products at percentages ranging from low-teens to mid-thirties, as well as certain portion of our sublicensing revenue, subject to certain standard reductions and offsets.

The transaction was accounted for as an acquisition of asset under ASC 730, *Research and Development*. In accordance with the guidance, in a transaction accounted for as an asset acquisition, any acquired in-process research and development (IPR&D) that does not have alternative future use is charged to expense at the acquisition date. At the acquisition date, the acquired license asset was accounted for as IPR&D, and we anticipated no other economic benefit to be derived from such acquired licensed asset other than the primary indications. As such, we accounted for the upfront fee of $2.0 million as IPR&D and recorded such cost within research and development expense in the statements of operations in 2022.

Under the accounting guidance, we account for contingent payments when a contingency is resolved, and the consideration becomes payable. We account for milestone payment obligations incurred at development stage and prior to a regulatory approval of an indication associated with the acquired licensed asset as research and development expense when the event requiring payment of the milestone occurs. Milestone payment obligations incurred upon and after a regulatory approval of an indication associated with the acquired licensed asset, and at the commercial stage, are recorded as intangible assets when the event requiring payment of the milestones occurs. Prior to the FDA approval of REZLIDHIA in December 2022, a certain regulatory milestone was met which entitled Forma to receive a $2.5 million milestone payment. Because such milestone payment obligation was incurred prior to a regulatory approval of an indication associated with the acquired licensed asset, we recorded such amount as research and development expense in the fourth quarter of 2022. On December 1, 2022, the FDA approved REZLIDHIA capsules for the treatment of adult patients with R/R AML with susceptible IDH1 mutations as detected by an FDA-approved test. Following the FDA approval, we launched REZLIDHIA and made first shipments of the product to our customers in December 2022. With this FDA approval and first commercial sale of the product, Forma was entitled to receive a total of $15.0 million milestone payments. Since such milestone payment obligations were incurred upon and after regulatory approval of the product, we recorded such amount as intangible assets on our condensed balance sheet in the fourth quarter of 2022.

The amount recorded as intangible asset is being amortized on a straight-line basis over the estimated useful life of 14 years, and the related amortization is recorded within cost of product sales. Royalties are recognized within cost of product sales, as revenue from REZLIDHIA product sales is recognized.

6. Stock-Based Compensation

Stock-based compensation for the periods presented was as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Selling, general and administrative	$ 2,961	$ 2,360	$ 8,172	$ 9,067
Research and development	402	284	1,791	1,239
Total stock-based compensation expense	$ 3,363	$ 2,644	$ 9,963	$ 10,306

During the nine months ended September 30, 2025, we granted stock options to purchase 633,417 shares of common stock with weighted-average grant-date fair value of $16.89 per share, and the grants generally vest over 3 years. During the nine months ended September 30, 2025, 347,016 stock options were exercised. As of September 30, 2025, there were 3,640,274 stock options outstanding, of which, 168,564 are outstanding performance-based stock options wherein the achievement of the corresponding corporate-based milestones were assessed not probable as of September 30, 2025. Accordingly, none of the $3.2 million grant date fair value for these awards has been recognized as stock-based compensation expense as of September 30, 2025.

The fair value of each option award is estimated on the date of grant using the Black-Scholes option pricing model. The following table summarizes the weighted-average assumptions relating to options granted pursuant to our 2018 Equity Incentive Plan (2018 Plan) and our Inducement Plan, as amended (Inducement Plan, and together with 2018 Plan, the Equity Incentive Plans) for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Risk-free interest rate	3.9 %	3.8 %	4.3 %	4.1 %
Expected term (in years)	6.0	6.0	6.5	6.1
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %
Expected volatility	91.0 %	88.7 %	88.6 %	87.6 %

During the nine months ended September 30, 2025, we granted 350,047 RSUs with a grant-date weighted-average fair value of $19.27 per share, and the grants generally vest over 3 years. During the nine months ended September 30, 2025, 143,691 RSUs were released. As of September 30, 2025, there were 569,106 RSUs outstanding.

As of September 30, 2025, there was approximately $17.3 million of unrecognized stock-based compensation cost which is expected to be recognized over a remaining weighted-average period of 2.04 years, related to time-based stock options, performance-based stock options wherein achievement of the corresponding corporate-based milestones was considered as probable, and RSUs.

During the nine months ended September 30, 2025, our Board of Directors approved an additional 42,925 shares of common stock reserved for issuance under our Inducement Plan. In May 2025, our stockholders approved an amendment to our 2018 Plan to, among other items, add an additional 700,000 shares to the number of shares of common stock authorized for issuance under our 2018 Plan. As of September 30, 2025, there were 1,407,956 shares of common stock available for future grant under our Equity Incentive Plans.

Employee Stock Purchase Plan

Our Purchase Plan provides for a 24-month offering period comprises four six-month purchase periods with a look-back option. A look-back option is a provision in our Purchase Plan under which eligible employees can purchase shares of our common stock at a price per share equal to the lesser of 85% of the fair market value on the first day of the offering period or 85% of the fair market value on the purchase date. Our Purchase Plan also includes a feature that provides for a new offering period to begin when the fair market value of our common stock on any purchase date during an offering period falls below the fair market value of our common stock on the first day of such offering period. This feature is called a “reset.” Participants are automatically enrolled in the new offering period.

Our 24-month offering period under our Purchase Plan ended on June 30, 2024, and a new 24-month offering period started on July 1, 2024. The fair value of awards under our Purchase Plan is estimated on the date of our new offering period using the Black-Scholes option pricing model, which is being amortized over the requisite service periods. As of September 30, 2025, there was approximately $0.2 million of unrecognized stock-based compensation cost which is expected to be recognized over a remaining weighted-average period of 0.59 years, related to our Purchase Plan.

During the nine months ended September 30, 2025, there were 39,801 shares purchased under the Purchase Plan. As of September 30, 2025, there were 144,373 shares reserved for future issuance under the Purchase Plan.

7. Other Balance Sheet Components

Inventories

Inventories for the periods presented consist of the following (in thousands):

	As of	
	September 30, 2025	December 31, 2024
Raw materials	$ 6,950	$ 1,077
Work in process	5,487	1,226
Finished goods	1,786	5,014
Total	$ 14,223	$ 7,317
Reported as:		
Inventories	$ 13,303	$ 6,002
Other assets	920	1,315
Total	$ 14,223	$ 7,317

Non-current inventories included within other assets in the condensed balance sheet consist of active pharmaceutical ingredient (API) classified as raw materials which have multi-year shelf life, as well as certain work in process and finished goods inventories that are not expected to be consumed beyond our normal operating cycle.

Advance payments to our contract manufacturers to manufacture APIs as well as APIs pending final release for commercial usage are classified as prepaid inventory and included within prepaid and other current assets in the condensed balance sheet. See prepaid and other current assets below for related details.

Prepaid and other current assets

Prepaid and other current assets for the periods presented consist of the following (in thousands):

	As of	
	September 30, 2025	December 31, 2024
Prepaid inventory	$ 7,308	$ 3,757
Prepaid research and development costs	5,385	1,885
Others	5,863	4,523
Total prepaid and other current assets	$ 18,556	$ 10,165

Intangible assets

Intangible assets consist of the following (in thousands):

	As of	
	September 30, 2025	December 31, 2024
Intangible assets cost	$ 30,360	$ 30,360
Accumulated amortization	(5,024)	(3,260)
Intangible assets, net	$ 25,336	$ 27,100

Amortization expense recorded within cost of product sales in the condensed statements of operations for the three months ended September 30, 2025 and 2024 was $0.6 million and $0.6 million, respectively, and for the nine months ended September 30, 2025 and 2024 was $1.8 million and $1.6 million, respectively.

The following table presents the estimated future amortization expense of intangible assets as of September 30, 2025 (in thousands):

Remainder of 2025	$ 587
2026	2,351
2027	2,351
2028	2,351
2029	2,351
Thereafter	15,345
	$ 25,336

8. Cash, Cash Equivalents, Restricted Cash, and Short-Term Investments

Cash, cash equivalents, restricted cash, and short-term investments for the periods presented consist of the following (in thousands):

	As of	
	September 30, 2025	December 31, 2024
Cash	$ 11,109	$ 20,135
Restricted cash	57	—
Money market funds	16,989	16,386
US treasury bills	41,666	7,263
Government-sponsored enterprise securities	18,651	23,177
Corporate bonds and commercial paper	48,728	10,360
	$ 137,200	$ 77,321
Reported as:		
Cash and cash equivalents	$ 48,534	$ 56,746
Short-term investments	88,609	20,575
Restricted cash reported within other assets	57	—
	$ 137,200	$ 77,321

Cash equivalents and short-term investments include the following securities with gross unrealized gains and losses (in thousands):

As of September 30, 2025	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
US treasury bills	$ 41,607	$ 61	$ (2)	$ 41,666
Government-sponsored enterprise securities	18,626	26	(1)	18,651
Corporate bonds and commercial paper	48,716	20	(8)	48,728
Total	$ 108,949	$ 107	$ (11)	$ 109,045

As of December 31, 2024	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
US treasury bills	$ 7,260	$ 3	$ —	$ 7,263
Government-sponsored enterprise securities	23,174	3	—	23,177
Corporate bonds and commercial paper	10,356	4	—	10,360
Total	$ 40,790	$ 10	$ —	$ 40,800

As of September 30, 2025 and December 31, 2024, our cash equivalents and short-term investments had a weighted-average time to maturity of approximately 259 days and 69 days, respectively. Our short-term investments are classified as available-for-sale securities. Accordingly, we have classified these securities as short-term investments on our condensed balance sheets as they are available for use in the current operations. As of September 30, 2025, a total of 26 individual securities had been in an unrealized loss position for 12 months or less, and the losses were determined to be temporary. We regularly review the securities in an unrealized loss position and evaluate the current expected credit loss by considering factors such as historical experience, market data, issuer-specific factors, and current economic conditions. We have not recognized any credit losses as of September 30, 2025 and December 31, 2024.

The following table shows the fair value and gross unrealized losses of our investments in individual securities that are in an unrealized loss position, aggregated by investment category (in thousands):

As of September 30, 2025	Fair Value	Gross Unrealized Losses
US treasury bills	$ 5,530	$ (2)
Government-sponsored enterprise securities	4,228	(1)
Corporate bonds and commercial paper	26,655	(8)
Total	$ 36,413	$ (11)

9. Fair Value

The table below summarizes the fair value of our cash equivalents and short-term investments measured at fair value on a recurring basis, and are categorized based upon the lowest level of significant input to the valuations (in thousands):

	Assets at Fair Value as of September 30, 2025			
	Level 1	Level 2	Level 3	Total
Money market funds	$ 16,989	$ —	$ —	$ 16,989
US treasury bills	—	41,666	—	41,666
Government-sponsored enterprise securities	—	18,651	—	18,651
Corporate bonds and commercial paper	—	48,728	—	48,728
Total	$ 16,989	$ 109,045	$ —	$ 126,034

	Assets at Fair Value as of December 31, 2024			
	Level 1	Level 2	Level 3	Total
Money market funds	$ 16,386	$ —	$ —	$ 16,386
US treasury bills	—	7,263	—	7,263
Government-sponsored enterprise securities	—	23,177	—	23,177
Corporate bonds and commercial paper	—	10,360	—	10,360
Total	$ 16,386	$ 40,800	$ —	$ 57,186

10. Debt

The following table summarizes loans payable, net (in thousands):

	As of	
	September 30, 2025	December 31, 2024
Principal outstanding	$ 60,000	$ 60,000
Unamortized debt issuance costs	(270)	(320)
Principal outstanding, net of unamortized debt issuance costs	$ 59,730	$ 59,680
Reported as:		
Loans payable, net, current portion	$ 29,761	$ 7,272
Long-term portion of loans payable, net	29,969	52,408
	$ 59,730	$ 59,680

The outstanding loans payable as of the periods presented was related to our Credit and Security Agreement (Credit Agreement) with MidCap Financial Trust (MidCap) entered into on September 27, 2019 (Closing Date) and amended on March 29, 2021 (First Amendment), February 11, 2022 (Second Amendment), July 27, 2022 (Third Amendment), and on April 11, 2024 (Fourth Amendment). The Credit Agreement provides for a $60.0 million term loan credit facility, which was fully funded as of September 30, 2025 and December 31, 2024.

Under the Credit Agreement, as amended, the term loans mature on September 1, 2027, and the interest-only period is through October 1, 2025. The term loans bear interest equal to the sum of one-month Secured Overnight Financing Rate (SOFR) plus an adjustment of 0.11448%, subject to a 4.00% applicable floor, plus applicable margin of 6.50%. A final payment fee of 4.25% of principal is due at maturity date.

We may make voluntary prepayments, in whole or in part, subject to certain prepayment premiums and additional interest payments. The Credit Agreement also contains certain provisions, such as event of default and change in control provisions, which, if triggered, would require us to make mandatory prepayments on the term loan, which are subject to certain prepayment premiums and additional interest payments. The obligations under the amended Credit Agreement are secured by a perfected security interest in all of our assets including our intellectual property.

Interest expense, including amortization of the debt discount and accretion of the final fees related to the Credit Agreement for the three months ended September 30, 2025 and 2024 was $1.9 million and $2.1 million, respectively, and for the nine months ended September 30, 2025 and 2024 was $5.6 million and $6.0 million, respectively. Accrued interest of $2.6 million was included within other accrued liabilities in the condensed balance sheet as of September 30, 2025.

The following table presents the future minimum principal payments of the outstanding loan as of September 30, 2025 (in thousands):

Remainder of 2025	$ 7,500
2026	30,000
2027	22,500
Principal amount (Tranches 1, 2, 3 and 4)	$ 60,000

The amended Credit Agreement contains certain covenants which, among others, require us to deliver financial reports at designated times of the year and maintain minimum unrestricted cash and trailing net revenues. As of September 30, 2025, we were not in violation of any covenants.

11. Commitments and Contingencies

Operating Leases

Our current headquarters located in South San Francisco, California was previously subleased from Atara Biotherapeutics, Inc. (Atara) pursuant to a sublease agreement entered in October 2022, which lease term commenced in November 2022 and expired in May 2025. In February 2025, we entered into a lease agreement with 611 Gateway Center LP (611 Gateway) to lease the same office space, which lease term commenced following the expiration of the sublease with Atara and will expire in July 2027. Following our lease agreement with 611 Gateway, in accordance with ASC 842, *Leases*, at lease measurement date, we recognized operating lease right-of-use asset and lease liabilities of approximately $1.2 million, which amount represents the present value of the future minimum lease payments over the term of the lease measured using our incremental borrowing rate.

The components of our operating lease expense were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Fixed operating lease expense	$ 160	$ 166	$ 475	$ 498
Variable operating lease expense	14	28	49	84
Total operating lease expense	$ 174	$ 194	$ 524	$ 582

Cash payments included in the measurement of operating lease liabilities for the three months ended September 30, 2025 and 2024 was $0.1 million and $0.2 million, respectively, and for the nine months ended September 30, 2025 and 2024 was $0.4 million and $0.6 million, respectively.

The weighted average remaining term of our leases as of September 30, 2025 was 1.83 years. The following table presents the future lease payments as of September 30, 2025 (in thousands):

Remainder of 2025	$ 170
2026	692
2027	409
Total minimum payments required	$ 1,271

Purchase Commitments and Obligations

In the ordinary course of business, we enter into agreements with contract manufacturers to manufacture our inventory products. Although the agreements generally provide a termination clause with or without cause, we may still be subjected to payment of cancellation fees. The level of cancellation fees is generally dependent on the timing of the written notice in relation to the commencement of work, with the maximum cancellation fees equal to the full price of the work order. In October 2024, we entered into an agreement with a third-party contract manufacturer to manufacture TAVALISSE that is expected to be delivered starting in 2026 through 2029. As of September 30, 2025, the contractual obligation not included in our financial statements related to an agreement that may potentially be subjected to cancellation fees of approximately $22.6 million, of which, $3.0 million is expected to be due in the remainder of 2025, and $10.5 million is expected to be due in 2026 and 2027. As of September 30, 2025, we have not incurred any cancellation fees under our agreements with contract manufacturers.

Legal Contingencies

From time to time, we may become involved in legal proceedings arising in the ordinary course of our business. We are not presently a party to any material legal proceedings that, if determined adversely us, would have a material adverse effect on us.

In March 2025, we entered into a settlement agreement with Annora Pharma Private Ltd., Hetero Labs Ltd., and Hetero USA, Inc. (collectively, Annora), resolving patent litigation related to our product TAVALISSE (fostamatinib). The litigation resulted from submission by Annora of an Abbreviated New Drug Application (ANDA) to the FDA seeking approval to market a generic version of TAVALISSE in the US. Under the terms of the settlement agreement, Annora will have a license to sell its generic product in the second quarter of 2032 or earlier under certain circumstances. In accordance with the settlement agreement, the parties terminated all ongoing litigation between us and Annora regarding TAVALISSE patents pending in New Jersey. For more information, see "Part II, Item 1, Legal Proceedings" of this Quarterly Report on Form 10-Q.

12. Income Taxes

The quarterly provision for or benefit from income taxes is based on applying the estimated annual effective tax rate to the year-to-date pre-tax income, adjusted for any discrete items. We update our estimate of our annual effective tax rate at the end of each quarterly period.

The benefit from or provision for income taxes for the three and nine months ended September 30, 2025 was primarily related to estimated state income taxes. We do not expect to owe federal income tax due to sufficient net operating loss carryforwards, as well as significant research and development credit carryforwards. For the three and nine months ended September 30, 2024, we did not record a provision for income taxes based on the forecasted pre-tax book loss.

In July 2025, the One Big Beautiful Bill Act (OBBBA), formally titled "An Act to provide for reconciliation pursuant to title II of H. Con. Res. 14." was signed into law. The OBBBA introduces a wide range of provisions affecting business entities, including the establishment of certain permanent business tax measures. Key provisions include a permanent and immediate deduction for domestic research and development expenditures, the restoration and permanent extension of 100% expensing for qualified equipment purchases, and restores the ability to add back depreciation and amortization expense when determining the limitation on interest deductions. In accordance with *ASC 740, Income Taxes*, the effects of changes in tax laws are recognized in the period of enactment. Accordingly, we accounted for the estimated impact of the OBBBA in our current period tax provision. The enactment of the OBBBA did not have a material impact on our condensed financial statements for the three and nine months ended September 30, 2025.

As of September 30, 2025, we continue to record a full valuation allowance on our deferred tax assets. The realization of deferred tax assets is dependent upon demonstrating sufficient positive evidence to conclude that it is more-likely-than-not that our deferred tax assets will be realized. This assessment requires significant judgment. In making this determination, all available evidence, both positive and negative, is considered to determine whether, based on the weight of that evidence, a valuation allowance for deferred tax assets is needed. If sufficient positive evidence becomes available to allow us to reach a conclusion that a portion of the valuation allowance against the deferred tax assets may be reversed, the reversal would result in an income tax benefit for the quarterly and annual fiscal period in which we determine to release such valuation allowance.

13. Segment Information

We view our operations and manage our business as one operating segment, and our chief operating decision maker (CODM) is our chief executive officer. The following table presents segment information for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(in thousands)		(in thousands)	
Total Revenues	$ 69,462	$ 55,307	$ 224,480	$ 121,682
Less:				
Employee related expenses	18,547	16,104	56,666	52,552
Commercial related expenses	6,303	6,768	18,915	19,002
Outside clinical trial related expenses	3,759	3,303	11,362	8,183
Cost of product sales	4,753	8,026	13,666	12,859
Consultants and third-party services	4,133	3,476	10,751	11,851
Other segment items	3,547	3,574	10,824	9,698
Interest expense, net	800	1,635	3,183	4,393
(Benefit from) provision for income taxes	(280)	—	154	—
Segment income	$ 27,900	$ 12,421	$ 98,959	$ 3,144

There is no reconciling items or adjustments between segment income presented above and net income as presented in our statements of operations. The CODM does not review assets in evaluating the segment results and therefore such information is not presented.

For details of revenues disaggregated by category, see “Note 3 – Revenues.”

Employee related expenses primarily comprised salaries, employee benefits, other employee related expenses and stock-based compensation expense. For details of stock-based compensation expense, see “Note 6 – Stock-Based Compensation.” Other segment items for the periods presented primarily comprised travel related expenses, business insurance, taxes and licenses, and facility related expenses.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This discussion and analysis should be read in conjunction with our financial statements and the accompanying notes included in this report and the audited financial statements and accompanying notes included in our Annual Report on Form 10-K for the year ended December 31, 2024 filed with the SEC on March 4, 2025. Our financial results for the three and nine months ended September 30, 2025 are not necessarily indicative of results that may occur in future interim periods or for the full fiscal year.

This Quarterly Report on Form 10-Q contains statements indicating expectations about future performance and other forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (Securities Act) and Section 21E of the Securities Exchange Act of 1934, as amended (Exchange Act), and the Private Securities Litigation Reform Act of 1995, that involve risks and uncertainties. We usually use words such as "may," "will," "would," "should," "could," "expect," "plan," "anticipate," "might," "believe," "estimate," "predict," "intend," or the negative of these terms or similar expressions to identify these forward-looking statements. These statements appear throughout this Quarterly Report on Form 10-Q and are statements regarding our current expectations, beliefs or intent, primarily with respect to our operations and related industry developments. Examples of these statements include, but are not limited to: our business and scientific strategies; risks and uncertainties associated with the commercialization, distribution and marketing of our products in the US and outside the US; risks that the FDA, EMA, the Medicines and Health Products Regulatory Agency (MHRA) or other regulatory authorities may make adverse decisions regarding our products; the impact of the US federal government shutdown; the progress of our and our collaborators' product development programs, including clinical testing, and the timing of results thereof; our corporate collaborations and revenues that may be received from our collaborations and the timing of those potential payments; our expectations with respect to obligations to entities party to commercial or licensing agreements with us and the timing of those obligations; our expectations with respect to timing of recognizing product sales; our expectations with respect to regulatory submissions and approvals; our drug discovery technologies; our research and development expense; protection of our intellectual property and our intention to vigorously enforce our intellectual property rights; the availability and sufficiency of our cash and capital resources and the need for additional capital; our ability to successfully identify and acquire or in-license products or companies; our operations and legal risks; and the effectiveness of our cybersecurity risk management process. You should not place undue reliance on these forward-looking statements. Our actual results could differ materially from those anticipated in these forward-looking statements for many reasons, including as a result of the risks and uncertainties discussed under the heading "Risk Factors" in Item 1A of Part II of this Quarterly Report on Form 10-Q. Any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as required by applicable law. New factors emerge from time to time, and it is not possible for us to predict which factors will arise. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

Overview

We are a biotechnology company dedicated to developing and providing novel therapies that significantly improve the lives of patients with hematologic disorders and cancer. We focus on products that address signaling pathways that are critical to disease mechanisms.

TAVALISSE (fostamatinib disodium hexahydrate) is our first product approved by the FDA. TAVALISSE is the only approved oral SYK inhibitor for the treatment of adult patients with chronic ITP who have had an insufficient response to a previous treatment. The product is also commercially available in Europe and the UK (as TAVLESSE), and in Canada, Israel, Japan and Korea (as TAVALISSE) for the treatment of chronic ITP in adult patients.

REZLIDHIA (olutasidenib) is our second FDA-approved product. REZLIDHIA capsules are indicated for the treatment of adult patients with R/R AML with a susceptible IDH1 mutation as detected by an FDA-approved test. We in-licensed REZLIDHIA from Forma with exclusive, worldwide rights for its development, manufacturing and commercialization.

GAVRETO (pralsetinib) is our third FDA-approved product which we began commercializing on June 27, 2024. GAVRETO is a once daily, small molecule, oral, kinase inhibitor of wild-type RET and oncogenic RET fusions. GAVRETO is approved by the FDA for the treatment of adult patients with metastatic RET fusion-positive NSCLC as detected by an FDA-approved test. GAVRETO is also approved under accelerated approval based on overall response rate and duration response rate, for the treatment of adult and pediatric patients 12 years of age and older with advanced or metastatic RET fusion-positive thyroid cancer who require systemic therapy and who are radioactive iodine-refractory (if radioactive iodine is appropriate). We acquired the rights to research, develop, manufacture and commercialize GAVRETO in the US from Blueprint pursuant to an Asset Purchase Agreement entered in February 2024.

We continue to advance the development of R289, our dual IRAK1/4 inhibitor program, in an open-label, Phase 1b study to determine the safety, tolerability and preliminary efficacy of the drug in patients with lower-risk MDS who are relapsed, refractory or resistant to prior therapies.

We have strategic development collaborations with MDACC to expand our evaluation of olutasidenib in AML and other hematologic cancers with IDH1 mutations, and with CONNECT to conduct a Phase 2 clinical trial to evaluate olutasidenib in combination with temozolomide in patients with HGG harboring an IDH1 mutation. We also have a RIPK1 inhibitor program in clinical development with our partner Lilly.

Business Updates

TAVALISSE IN ITP

For the nine months ended September 30, 2025, net product sales of TAVALISSE were $113.3 million, increased by $39.5 million or 54% compared to $73.8 million net product sales in the same period in 2024. The increase was primarily due to increased quantities sold and higher price per bottle, and partly due to benefit from lower revenue reserves.

REZLIDHIA in R/R AML with mIDH1

For the nine months ended September 30, 2025, net product sales of REZLIDHIA were $21.4 million, increased by $5.9 million or 38% compared to $15.6 million net product sales in the same period in 2024. The increase was primarily due to increased quantities sold and higher price per bottle, partially offset by higher revenue reserves.

GAVRETO in metastatic RET fusion-positive NSCLC and advanced thyroid cancers

We began our commercialization and started recognizing revenue from product sales of GAVRETO in late June 2024. For the nine months ended September 30, 2025, net product sales of GAVRETO were $31.9 million, compared to $9.0 million in the same period in 2024. We expect to continue to leverage our existing commercial infrastructure to ensure current and newly prescribed GAVRETO patients have continued access to this important treatment option.

R289, an Oral IRAK1/4 Inhibitor for Lower-Risk MDS

We advanced the development of our dual IRAK1/4 inhibitor program, following evaluation of single and multiple ascending doses of R289 in healthy subjects. The ongoing Phase 1b open-label, multicenter study evaluates the safety, tolerability and preliminary efficacy of R289 in patients with R/R lower-risk MDS. This Phase 1b study is expected to enroll approximately 86 patients (up to 36 patients in the dose escalation phase, up to 40 patients in the dose expansion phase, and 10 less heavily pre-treated patients in an exploratory cohort). Enrollment in the dose escalation part of the study was completed in July 2025. In October 2025, we announced that the first patient was enrolled in the dose expansion part of the study, in which patients will be randomized to receive either 500 mg once daily or 500 mg twice daily, with the goal to determine the recommended phase 2 dose for future clinical studies. The primary objective of the study is safety, with secondary and exploratory objectives to assess preliminary efficacy and characterize the pharmacokinetic and pharmacodynamic profile of R289.

In December 2024, initial data from the dose escalation part of the Phase 1b study was presented at the 66th American Society of Hematology (ASH) Annual Meeting and Exposition. In summary, R289 was generally well tolerated with preliminary signs of efficacy in a heavily pretreated lower-risk MDS patient population, the majority of whom were high transfusion burden (HTB) at baseline. Red blood cell (RBC)-transfusion independence (RBC-TI) ≥8 weeks was achieved by three patients (1 at 500 mg once daily and 2 at 750 mg once daily); two HTB patients achieved RBC-TI >24 weeks. The median duration of RBC-TI was 29 weeks (range 12.7-51.9 weeks). The three patients that achieved RBC-TI had peak hemoglobin increases exceeding 2.0 g/dL compared to baseline. We also reported that one HTB patient receiving 500 mg once daily achieved a minor hematologic improvement-erythroid (HI-E) response, with a 64% reduction in RBC transfusions compared to baseline; however, in the July 15, 2025 data cut, we determined that this patient had received blood transfusions that were not captured in the database at the time of the initial data analysis. Accordingly, this patient was subsequently determined to be a non-responder. As the study is ongoing, interim results represent information at the time of the data cut, and final study results will be available after the database lock at the end of the study.

On November 3, 2025, we announced that we will present updated data from the dose escalation phase of our ongoing Phase 1b study evaluating R289 in patients with R/R lower-risk MDS, in an oral presentation at the upcoming 67th ASH Annual Meeting and Exposition to be held December 6-9, 2025, in Orlando, Florida, and virtually. R289 continues to be generally well tolerated and demonstrate preliminary signs of efficacy in doses equal to or above 500 mg daily. As of the July 15, 2025 data cutoff, 33 patients were enrolled in the dose escalation part of the study. Patients had a median age of 75 with a median of 3 prior therapies and 61% were high transfusion burden at baseline. Patients received R289 at doses ranging from 250 mg once daily to 500 mg twice daily. For the 500 mg twice daily dose group, five patients were not yet evaluable (<16 weeks follow up) for determination of hematologic responses and one patient withdrew consent. The most frequent treatment emergent adverse events (≥20%) were diarrhea (28.1%), constipation/fatigue (25% each), and creatinine/alanine aminotransferase (ALT) increased (21.9% each), the majority being Grade 1/2. 1 dose limiting toxicity (DLT) (Grade 4 aspartate aminotransferase (AST) increase/Grade 3 ALT increase) was reported in the 750 mg dose group. For evaluable transfusion dependent patients (≥16 weeks follow up) receiving doses of at least 500 mg once daily and higher, 4/13 patients (31%) achieved durable RBC-TI for > 8 weeks (500 mg once daily [1/3], 750 mg once daily [2/5], 500/250 mg once daily [1/5]). Duration of RBC-TI was >16 weeks in 3 patients, >24 weeks in 2 patients, and >12 months in 1 patient. The median time to onset of RBC-TI was 2.2 months, and the median duration of RBC-TI was 24.3 weeks. All responding patients had R835 plasma concentrations similar to those at which ≥50% LPS-induced inhibition of cytokine release was observed in healthy volunteers, indicating a potential threshold for dose response (≥500 mg once daily). Updated data as of a October 28, 2025 data cutoff will be presented during the oral presentation.

The FDA granted R289 Orphan Drug designation for the treatment of myelodysplastic syndromes in January 2025 and Fast Track designation for the treatment of previously-treated transfusion dependent lower-risk myelodysplastic syndrome in November 2024.

Olutasidenib in AML, Other Hematologic Cancers and HGG

In December 2023, we entered into a Strategic Collaboration Agreement with MDACC, a comprehensive cancer research, treatment, and prevention center. The collaboration will expand our evaluation of olutasidenib in AML and other hematologic cancers with IDH1 mutations. Under the Strategic Collaboration Agreement, we will jointly lead the clinical development efforts with MDACC to evaluate the potential of olutasidenib to treat newly diagnosed and R/R patients with AML, higher-risk MDS, and advanced myeloproliferative neoplasms, in combination with other agents. The collaboration will also support the evaluation of olutasidenib as monotherapy in patients with IDH1 mutated clonal cytopenia of undetermined significance (CCUS) and lower-risk MDS, as well as maintenance therapy following hematopoietic stem cell transplant. Further, this collaboration will also support the evaluation of olutasidenib in combination with co-targeted therapies in patients with R/R IDH1-mutated myeloid malignancies harboring activated signaling pathway mutations. There are five studies open for enrollment associated with the multi-year strategic development alliance. Under the Strategic Collaboration Agreement, we will provide MDACC the study materials and $15.0 million in time-based milestone payments as compensation for services to be provided for the studies, over the five-year collaboration term, unless terminated earlier as provided for in the agreement. Through September 30, 2025, we provided $5.3 million funding to MDACC.

In January 2024, we announced our collaboration with CONNECT, an international collaborative network of pediatric cancer centers, to conduct a Phase 2 clinical trial to evaluate olutasidenib in combination with temozolomide in patients with HGG harboring an IDH1 mutation. Under the collaboration, CONNECT will include the olutasidenib treatment arm within CONNECT's TarGet study, a molecularly guided Phase 2 umbrella clinical trial for HGG. In our sponsored arm, TarGet-D, adolescents and young adult patients (ages 12 to 39 years old) with newly-diagnosed IDH1-mutation positive HGG will receive maintenance therapy with olutasidenib in combination with temozolomide for the first year after radiotherapy, followed by olutasidenib monotherapy for the second year. Under the collaboration, we will provide CONNECT with funding up to $3.0 million and study material over the four-year collaboration. The first patient was enrolled in the Phase 2 TarGet-D study in October 2025.

Incrementally, we plan to expand the evaluation of olutasidenib through additional strategic collaborations and potential Rigel-led studies, complementing our existing partnerships with MDACC and CONNECT.

Global Strategic Partnership with Lilly

Lilly is continuing to advance ocadusertib (previously R552), an investigational, potent and selective RIPK1 inhibitor. Enrollment in Lilly's Phase 2a clinical trial studying ocadusertib in adult patients with moderately to severely active rheumatoid arthritis is ongoing, with a preliminary analysis of results made available in April 2025. RIPK1 is implicated in a broad range of key inflammatory cellular processes and plays a key role in tumor necrosis factor signaling, especially in the induction of pro-inflammatory necroptosis. On October 1, 2025, we received a notice from Lilly of its intent to terminate the CNS disease program under the Lilly Agreement, which will become effective sixty (60) days following notification.

Under the Lilly Agreement, we were responsible for 20% of the development costs for ocadusertib in the US, Europe, and Japan, up to a specified cap, and Lilly is responsible for funding the remainder of all development activities for ocadusertib and other non-CNS disease development candidates. Under the Lilly Agreement, we have the right to opt-out of co-funding the ocadusertib development activities in the US, Europe and Japan at two different specified times and as a result receive lesser royalties from sales. Following us providing the first opt-out notice to Lilly in September 2023, our cost share obligation for ocadusertib development ended on April 1, 2024. We paid Lilly a total of $21.4 million for our share of development costs incurred through April 1, 2024. Under the Lilly Agreement as amended, we had the right to opt-in to co-funding of ocadusertib development, upon us providing notice to Lilly within 30 days of certain events, as specified in the Lilly Agreement. On April 30, 2025, we provided notice to Lilly of our decision not to exercise our opt-in right following our evaluation of certain events specified in the Lilly Agreement. Following this notification, we are no longer obligated to share in any future global development costs. As such, we released the $40.0 million remaining cost share liability and recognized the amount as contract revenues from collaboration in the second quarter of 2025.

Patent Infringement Lawsuit

In March 2025, we entered into a settlement agreement with Annora Pharma Private Ltd., Hetero Labs Ltd., and Hetero USA, Inc. (collectively, Annora), resolving patent litigation related to our product TAVALISSE. The litigation resulted from submission by Annora of an Abbreviated New Drug Application (ANDA) to the FDA seeking approval to market a generic version of TAVALISSE in the US. Under the terms of the settlement agreement, Annora will have a license to sell its generic product in the second quarter of 2032 or earlier under certain circumstances. In accordance with the settlement agreement, the parties terminated all ongoing litigation between us and Annora regarding TAVALISSE patents pending in New Jersey. For a more detailed discussion of this litigation matter, see Part II, Item 1, "Legal Proceedings" of this Quarterly Report on Form 10-Q.

Our Product Portfolio

The following table summarizes our portfolio:

	Indication	Target	Stage	Partner
Commercialized Products				
TAVALISSE® (fostamatinib)[1]	Adult Chronic ITP	SYK	Approved	
REZLIDHIA® (olutasidenib)[2]	R/R AML	mIDH1	Approved	
GAVRETO® (pralsetinib)[3]	RET+ NSCLC & Advanced Thyroid Cancer	RET	Approved	
Clinical Trials				
R289*	Lower-risk MDS	IRAK1/4	Phase 1b	
Partnered Programs[4]				
Ocadusertib* (systemic)	Rheumatoid Arthritis	RIPK1	Phase 2	Lilly
Rxxx (CNS penetrant)[5]	CNS Diseases	RIPK1	Pre-clinical	Lilly

■ Company-Sponsored Trials

[1] Please see the TAVALISSE Full Prescribing Information
[2] Please see the REZLIDHIA Full Prescribing Information, including Boxed WARNING
[3] Please see the GAVRETO Full Prescribing Information
[4] Rigel also has partnerships with BerGenBio (bemcentinib) and Daiichi Sankyo (milademetan)
[5] In early October 2025, Rigel received notification from Lilly that it will terminate the CNS disease program, which will become effective 60 days following notification.
* Investigational compound in this indication and has not been submitted for FDA review

Commercial Products

TAVALISSE/Fostamatinib in ITP

TAVALISSE overview

Chronic ITP affects an estimated 81,300 adult patients in the US. In patients with ITP, the immune system attacks and destroys the body's own blood platelets, which play an active role in blood clotting and healing. ITP patients can suffer extraordinary bruising, bleeding and fatigue as a result of low platelet counts. Current therapies for ITP include steroids, blood platelet production boosters that imitate thrombopoietin (TPO) and splenectomy.

Taken in tablet form, fostamatinib blocks the activation of SYK inside immune cells. ITP is typically characterized by the body producing antibodies that attach to healthy platelets in the blood stream. Immune cells recognize these antibodies and affix to them, which activates the SYK enzyme inside the immune cell, and triggers the destruction of the antibody and the attached platelet. When SYK is inhibited by fostamatinib, it interrupts this immune cell function and allows the platelets to escape destruction. The results of our Phase 2 clinical trial, in which fostamatinib was orally administered to 16 adults with chronic ITP, published in *Blood*, showed that fostamatinib significantly increased the platelet counts of certain ITP patients, including those who had failed other currently available agents.

Our Fostamatinib for Immune Thrombocytopenia (FIT) Phase 3 clinical program had a total of 150 ITP patients which were randomized into two identical multicenter, double-blind, placebo-controlled clinical trials. The patients were diagnosed with persistent or chronic ITP, and had blood platelet counts consistently below 30,000 per microliter of blood. Two-thirds of the subjects received fostamatinib orally at 100 mg twice daily (bid) and the other third received placebo on the same schedule. Subjects were expected to remain on treatment for up to 24 weeks. At week four of treatment, subjects who failed to meet certain platelet counts and met certain tolerability thresholds could have their dosage of fostamatinib (or corresponding placebo) increased to 150 mg bid. The primary efficacy endpoint of this program was a stable platelet response by week 24 with platelet counts at or above 50,000 per microliter of blood for at least four of the final six qualifying blood draws. In August 2016, we announced the results of the first FIT study, reporting that fostamatinib met the study's primary efficacy endpoint. The study showed that 18% of patients receiving fostamatinib achieved a stable platelet response compared to none receiving a placebo control. In October 2016, we announced the results of the second FIT study, reporting that the response rate (16% in the treatment group, versus 4% in the placebo group) was consistent with the first study, although the difference was not statistically significant. In the ITP double-blind studies, the most commonly reported adverse reactions occurring in at least 5% of patients treated with TAVALISSE were diarrhea, hypertension, nausea, dizziness, increased alanine aminotransferase, increased aspartate aminotransferase, respiratory infection, rash, abdominal pain, fatigue, chest pain, and neutropenia. Serious adverse drug reactions occurring in at least 1% of patients treated with TAVALISSE in the ITP double-blind studies were febrile neutropenia, diarrhea, pneumonia, and hypertensive crisis. A post-hoc analysis from our Phase 3 clinical program in adult patients with chronic ITP, highlighting the potential benefit of using TAVALISSE in earlier lines of therapy, was published in the British Journal of Haematology in July 2020. In addition, a report describing the long-term safety and durable efficacy of TAVALISSE with up to five years of treatment was published in Therapeutic Advances in Hematology in 2021.

The FDA granted orphan drug designation for fostamatinib for the treatment of ITP in August 2015. TAVALISSE was approved by the FDA in April 2018 for the treatment of ITP in adult patients who have had an insufficient response to a previous treatment, and successfully launched in the US in May 2018.

Competitive landscape for TAVALISSE

Our industry is intensely competitive and subject to rapid and significant technological change. TAVALISSE is competing with other existing therapies. In addition, a number of companies are pursuing the development of pharmaceuticals that target the same diseases and conditions that we are targeting. For example, there are existing therapies and drug candidates in development for the treatment of ITP that may be alternative therapies to TAVALISSE.

Currently, corticosteroids remain the most common first line therapy for ITP, occasionally in conjunction with intravenous immunoglobulin (IVIg) or anti-Rh(D) to help further augment platelet count recovery, particularly in emergency situations. However, it has been estimated that frontline agents lead to durable remissions in only a small percentage of newly diagnosed adults with ITP. Moreover, concerns with steroid-related side effects often restrict therapy to approximately four weeks. As such, many patients progress to persistent or chronic ITP, requiring other forms of therapeutic intervention. In long-term treatment of chronic ITP, patients are often cycled through several therapies over time in order to maintain a sufficient response to the disease.

Other approaches to treat ITP are varied in their mechanism of action, and there is no consensus about the sequence of their use. Options include splenectomy, thrombopoietin receptor agonists (TPO-Ras) and various immunosuppressants (such as rituximab). The response rate criteria of the above-mentioned options vary, precluding a comparison of response rates for individual therapies.

Even with the above treatment options, a significant number of patients remain severely thrombocytopenic for long durations and are subject to risk of spontaneous or trauma-induced hemorrhage. The addition of fostamatinib to the currently available treatment options could be beneficial because it has a different mechanism of action than any of the therapies that are currently available. Fostamatinib is a potent and relatively selective SYK inhibitor, and its inhibition of Fc receptors and B-cell receptors of signaling pathways make it a potentially broad immunomodulatory agent.

The FDA recently approved the product WAYRILZ™ (Sanofi SA) for the treatment of adults with persistent or chronic ITP. Other products in the US that are approved by the FDA to increase platelet production through binding to TPO receptors on megakaryocyte precursors include PROMACTA® (Novartis International AG), Nplate® (Amgen, Inc.),

DOPTELET® (Swedish Orphan Biovitrum AB) and ALVAIZ™ (Teva Pharmaceutical Industries Ltd.). In the longer term, we may eventually face competition from potential manufacturers of generic versions of our marketed products, including the proposed generic version of TAVALISSE, if approved and allowed to enter the market, it could result in significant decreases in the revenue derived from sale of TAVALISSE and thereby materially harm our business and financial condition.

TAVALISSE Commercial activities, including sales and marketing

Our marketing and sales efforts are focused on hematologists and hematologist-oncologists in the US who manage chronic adult ITP patients. We have a fully integrated commercial team consisting of sales, marketing, market access, and commercial operations functions. Our sales team promotes our products in the US using customary pharmaceutical company practices. Our products are sold initially through third-party wholesale distribution and specialty pharmacy channels and group purchasing organizations before being ultimately prescribed to patients. To facilitate our commercial activities in the US, we also enter into arrangements with various third parties, including advertising agencies, market research firms and other sales-support-related services as needed. We believe that our commercial team and distribution practices are adequate to ensure that our marketing efforts reach relevant customers and deliver our products to patients in a timely and compliant fashion. Also, to help ensure that all eligible patients in the US have appropriate access to our products, we have established a reimbursement and patient support program called Rigel OneCare ® (ROC). Through ROC, we provide co-pay assistance to qualified, commercially insured patients to help minimize out-of-pocket costs and provide free product to uninsured or under-insured patients who meet certain established clinical and financial eligibility criteria. In addition, ROC is designed to provide reimbursement support, such as information related to prior authorizations, benefits investigations and appeals.

We have entered into various license and commercial agreements to commercialize fostamatinib globally as discussed below, but we retain the global rights to fostamatinib outside of the respective territories under such license and commercial agreements.

Fostamatinib outside of the US

We have a commercialization license agreement with Grifols for exclusive rights to commercialize fostamatinib for human diseases, and non-exclusive rights to develop, fostamatinib in their territory. Grifols territory includes EU, the UK, Turkey, the Middle East, North Africa and Russia (including CIS). In January 2020, the European Commission (EC) granted a centralized MA for fostamatinib (TAVLESSE) valid throughout the EU and which has been grandfathered in the UK, after the departure of the UK from the EU, for the treatment of chronic ITP in adult patients who are refractory to other treatments. Grifols has launched TAVLESSE in the UK and certain countries in EU including Germany, France, Italy and Spain, and continues a phased rollout across the rest of EU.

We have an exclusive license and supply agreement with Kissei to develop and commercialize fostamatinib in all current and potential indications in Japan, China, Taiwan and Korea. Kissei is a Japan-based pharmaceutical company addressing patients' unmet medical needs through its research, development and commercialization efforts, as well as through collaborations with partners. Japan has the third highest prevalence of chronic ITP in the world behind the US and Europe. Kissei was granted orphan drug designation from the Japanese Ministry of Health, Labor and Welfare for R788 (fostamatinib) in chronic ITP in February 2020. In December 2022, Japan's Pharmaceuticals and Medical Devices Agency (PMDA) approved TAVALISSE for the treatment of persistent and chronic ITP, and in April 2023, Kissei launched TAVALISSE in Japan. In January 2025, Kissei announced the Korean Ministry of Food and Drug Safety approved TAVALISSE for the treatment of thrombocytopenia in adult patients with chronic ITP who have had an insufficient response to a previous treatment. In July 2025, Kissei announced that its licensing partner, JW Pharmaceutical Corporation, commercially launched TAVALISSE in Korea.

We have exclusive commercial and license agreements with Medison to commercialize fostamatinib in all potential indications in Canada and Israel. In November 2020, Health Canada approved the New Drug Submission for TAVALISSE for the treatment of thrombocytopenia in adult patients with chronic ITP who have had an insufficient response to other treatments. In August 2021, Medison Israel received the licenses for registrational approval from the Ministry of Health. TAVALISSE is commercially available in Canada and Israel.

We have a commercial license agreement with Knight to exclusively commercialize fostamatinib for approved indications in Latin America, consisting of Mexico, Central and South America, and the Caribbean. We are also responsible for the exclusive manufacture and supply of fostamatinib for all future development and commercialization activities under a commercial and supply agreement. In August 2023, Knight submitted the MAA for regulatory approval in Mexico, Colombia and Brazil for fostamatinib for the treatment of adult patients with ITP who had insufficient response to a previous treatment. In December 2024, Knight announced the approval of TAVALISSE in Mexico for the treatment of thrombocytopenia in adult patients with chronic ITP who have had an insufficient response to a previous treatment. In September 2025, Knight received a rejection from Brazilian Health Regulatory Agency (ANVISA) regarding its marketing authorization application for fostamatinib. Knight filed an appeal which may take up to fourteen months.

REZLIDHIA/Olutasidenib in R/R AML with mIDH1

REZLIDHIA overview

mIDH1 alterations are seen in AML, MDS, glioma, chondrosarcoma, and intrahepatic cholangiocarcinoma. It is estimated that there are approximately 1,000 adult patients, a well-identified patient population, with mIDH1 R/R AML, part of an AML market estimated to have an incidence of approximately 22,000 cases in the US in 2025, and an estimated 120,000 cases globally. Despite having approved treatment options for R/R AML patients who are mIDH1 positive, an unmet need remains.

Olutasidenib, an oral, small molecule drug designed to selectively bind to and inhibit mIDH1, is a treatment option with durable remissions, reduced QTc potential, and a stable pharmacokinetics profile that enables a consistent drug exposure over time. This targeted agent has the potential to provide therapeutic benefit by reducing 2-hydroxyglutarate levels and restoring normal cellular differentiation. IDH1 is a natural enzyme that is part of the normal metabolism of all cells. When mutated, IDH1 activity can promote blood malignancies and solid tumors. Olutasidenib was granted orphan drug designation by the FDA for the treatment of AML, which provides orphan drug market exclusivity from the time of marketing approval on December 1, 2022.

REZLIDHIA is designed to bind to and inhibit mIDH1 to reduce 2-hydroxyglutarate levels and restore normal cellular differentiation of myeloid cells. REZLIDHIA is a novel, non-intensive monotherapy treatment in the R/R AML setting demonstrating a CR+CRh rate of 35% in patients with over 90% of those responders in complete remission.

We in-licensed REZLIDHIA from Forma pursuant to a license and transition services agreement entered in July 2022, with exclusive, worldwide rights for development, manufacturing and commercialization of REZLIDHIA for any uses, including for the treatment of AML and other malignancies. In accordance with the terms of the license and transition services agreement, we paid an upfront fee of $2.0 million, with the potential to pay up to $67.5 million additional payments upon achievement of specified development and regulatory milestones and up to $165.5 million additional payments upon achievement of certain commercial milestones. In 2022, certain milestones were met which entitled Forma to receive a $17.5 million milestone payments. In addition, subject to the terms and conditions of the license and transition services agreement, Forma would be entitled to tiered royalty payments on net sales of licensed products at percentages ranging from low-teens to mid-thirties, as well as certain portions of our sublicensing revenue, subject to certain standard reductions and offsets.

In December 2022, the FDA approved REZLIDHIA capsules for the treatment of adult patients with R/R AML with IDH1 mutation as detected by an FDA-approved test, and we began the commercialization of REZLIDHIA and made it available to patients. The recommended dosage of REZLIDHIA is 150 mg taken orally twice daily until disease progression or unacceptable toxicity. The FDA approval was based on the NDA for olutasidenib for the treatment of m1DH1 R/R AML submitted by Forma, that had a PDUFA action date for the application of February 15, 2023. The NDA application was supported with a Phase 2 registrational trial for olutasidenib in mIDH1 R/R AML. Interim results from the Phase 2 registrational trial were reported at the American Society of Clinical Oncology (ASCO) annual meeting in June 2021. The interim results of this trial of 153 patients showed that olutasidenib demonstrated a favorable tolerability profile as a monotherapy in patients with R/R AML who have a susceptible mIDH1, and achieved a complete remission (CR) plus CR with partial hematologic recovery (CRh) rate of 33.3% (30% CR and 3% CRh), the primary efficacy endpoint. While a median duration of CR/CRh was not yet reached, a sensitivity analysis (with a hematopoietic

stem cell transplant, as the end of a response) indicated the median duration of CR/CRh was 13.8 months**.** The overall response rate, comprised CR, CRh, Cri, partial response, and morphologic leukemia-free state (MLFS), was 46% and the median duration of overall response rate (ORR) was 11.7 months. The median overall survival was 10.5 months. For patients with CR/CRh, the median overall survival was not reached, but the estimated 18-month survival was 87%. The most frequently reported treatment emergent adverse events were nausea, constipation, increased white blood cell count, decreased red blood cell count, pyrexia, febrile neutropenia, and fatigue.

In January 2023, we announced that REZLIDHIA has been added by the National Comprehensive Cancer Network (NCCN) to the latest NCCN Clinical Practice Guidelines in Oncology (NCCN Guidelines) for AML. REZLIDHIA is now included as a recommended targeted therapy for adult patients with R/R AML with IDH1 mutation.

In February 2023, we announced peer-reviewed publication data in *Blood Advances*, which summarize clinical results from the Phase 2 registrational trial of REZLIDHIA in patients with mIDH1 R/R AML. The published data demonstrate that REZLIDHIA induced durable remissions and transfusion independence with a well-characterized safety profile. The observed efficacy is clinically meaningful and represents a therapeutic advance in this poor prognosis patient population with limited treatment options. REZLIDHIA demonstrated both a high rate of response and an extended median duration of complete response of 28.1 months, which is more than a year longer than what is reported with the standard of care. In June 2023, we announced the second REZLIDHIA publication in *Blood Advances*, a review article examining the preclinical and clinical development, and the positioning of REZLIDHIA in the mIDH1 AML treatment landscape. The review concluded that the approval of REZLIDHIA is a critical addition to the mIDH1 AML treatment landscape. Further, the available data support the use of REZLIDHIA as monotherapy in R/R AML patients who have failed intensive chemotherapy or venetoclax plus hypomethylating agents combination therapy.

In April 2024, we announced a peer-reviewed publication in *Leukemia & Lymphoma* on data from an analysis of the Phase 2 study evaluating REZLIDHIA in patients with mIDH1 AML who are R/R to prior venetoclax-based regimens. The findings from these analyses suggest that REZLIDHIA alone or in combination with azacitidine demonstrated potential efficacy in patients with AML following failure of venetoclax combination therapy.

In May 2024, we announced the presentation of the five-year results from the registrational Phase 2 trial of REZLIDHIA in R/R mIDH1 AML patients at the 2024 ASCO Annual Meeting and EHA 2024 Hybrid Congress. The data published reinforces REZLIDHIA's efficacy in heavily pretreated patients with mIDH1 AML, including those R/R to prior venetoclax. The safety profile was consistent with what was previously reported. Further, REZLIDHIA was generally well tolerated in elderly patients with R/R mIDH1 AML and induced durable remissions. Despite the challenges of treating elderly patients who had already failed prior AML treatment, the results suggest that elderly patients can benefit from therapy with REZLIDHIA. REZLIDHIA was also effective in achieving remission in patients with mIDH1 R/R AML and served as a bridging strategy towards potentially curative allogeneic transplantation in a substantial subset of these previously ineligible patients. Additionally, REZLIDHIA was well tolerated in a subset of patients with myeloproliferative neoplasms mIDH1 AML, a patient population often associated with poor responses to available therapies.

In October 2025, we announced the publication of the final five-year data for REZLIDHIA in patients with R/R MIDH1 AML in the *Journal of Hematology and Oncology*. The publication reports the final follow-up analysis of the registrational Phase 2 trial, with an additional two years of efficacy and safety data. These five-year data further support the durable responses and manageable safety profile observed with olutasidenib in patients with R/R m*IDH1* AML, including those R/R to prior venetoclax. The safety profile remained consistent with what was previously reported, with no new safety signals identified.

Competitive landscape for REZLIDHIA

There is currently one other product approved in the US for patients with IDH1 mutation. The FDA granted approval to TIBSOVO® (ivosidenib), an oral targeted IDH1 mutation inhibitor, (i) in July 2018, for adult patients with R/R AML with a susceptible IDH1 mutation, (ii) in May 2019, for newly diagnosed AML with a susceptible IDH1 mutation who are at least 75 years old or who have comorbidities that preclude use of intensive induction chemotherapy, (iii) in August 2021, for adult patients with previously treated, locally advanced or metastatic cholangiocarcinoma with an IDH1 mutation as detected by an FDA-approved test, (iv) in May 2022, in combination with azacitidine (azacitidine

for injection) for newly diagnosed AML with a susceptible IDH1 mutation, as detected by an FDA-approved test in adults 75 years or older, or who have comorbidities that preclude use of intensive induction chemotherapy, and (v) in October 2023, for adult patients with R/R MDS with a susceptible IDH1 mutation, as detected by an FDA-approved test. In addition, some clinicians may utilize non-targeted treatments for patients with mIDH1 R/R AML, including use of venetoclax combinations, hypomethylating agents, other chemotherapy regimens, or investigational agents that may be available to them.

REZLIDHIA commercial activities, including sales and marketing

We believe REZLIDHIA is highly synergistic with our existing hematology-oncology focused commercial and medical affairs infrastructure. Our commercial effort focuses on growing awareness of REZLIDHIA within key institutions, and among targeted HCPs who manage patients with R/R AML with mIDH1. We retain the global rights, excluding certain geographies as discussed below, to develop and commercialize olutasidenib for all indications, and we are currently exploring other ex-US partnership opportunities.

Olutasidenib outside of the US

In September 2024, we entered into a collaboration and license agreement with Kissei, pursuant to which Kissei was granted exclusive rights to develop and commercialize olutasidenib in all human diseases in Japan, Korea and Taiwan. Kissei will initially seek approval for REZLIDHIA in Japan for R/R mIDH1 AML and will be responsible for conducting clinical studies as required by the Japanese PMDA. We remain responsible for the manufacture and supply of olutasidenib for all development and commercialization activities and will supply Kissei with bulk drug product for use under the license and supply agreements.

In November 2024, we entered into a commercial license agreement with Dr. Reddy's for an exclusive license to develop and commercialize olutasidenib in Dr. Reddy's territory which includes Latin America, South Africa, India, certain countries in the CIS, Southeast Asia region and North Africa, Australia, and New Zealand. We are responsible for the exclusive manufacture and supply of olutasidenib for all future development and commercialization activities under a supply agreement.

Under the license and services agreement with Forma, Forma is entitled to a certain portion of sublicensing revenue, which include, but are not limited to upfront payment, milestone payments and royalties, that we receive from a third party sublicensee. Following the license agreements with Kissei and Dr. Reddy's as discussed above, Forma is entitled to a portion of the sublicensing revenue we receive from Kissei and Dr. Reddy's.

GAVRETO/Pralsetinib in metastatic RET fusion-positive NSCLC and advanced thyroid cancers

GAVRETO overview

RET is a receptor tyrosine kinase that activates multiple downstream pathways involved in cell proliferation and survival. RET can be activated by mutation or when a portion of the RET gene that encodes the kinase domain is joined to part of another gene creating a fusion gene that encodes an aberrantly activated RET fusion protein. RET alterations, such as fusions or mutations, drive the growth of multiple tumor types. It is estimated that over 226,000 adult patients in the US will be diagnosed with lung cancer in 2025. NSCLC is the most common type of lung cancer in the US accounting for 85-90% of all lung cancer diagnoses. RET activating fusions are key disease drivers in NSCLC. RET fusions are implicated in approximately 1-2% of patients with NSCLC.

We acquired the rights to research, develop, manufacture and commercialize GAVRETO from Blueprint, pursuant to an Asset Purchase Agreement entered in February 2024. GAVRETO is a once daily, small molecule, oral, kinase inhibitor of wild-type RET and oncogenic RET fusions. Currently, GAVRETO is one of only two approved RET inhibitors on the market for patients. GAVRETO is approved by the FDA for the treatment of adult patients with metastatic RET fusion-positive NSCLC as detected by an FDA-approved test.

GAVRETO is also approved for the treatment of adult and pediatric patients 12 years of age and older with advanced or metastatic RET fusion-positive thyroid cancer who require systemic therapy and who are radioactive iodine-refractory (if radioactive iodine is appropriate). This indication was approved by the FDA under accelerated approval

based on overall response rate and duration of response. Continued approval for this indication may be contingent upon verification and description of clinical benefit in confirmatory trial. Discussions with the FDA regarding confirmatory requirements are ongoing.

In June 2024, we announced the completion of the transfer to us of the NDA for GAVRETO, and GAVRETO became commercially available from us in the US by prescription. GAVRETO was co-marketed by Blueprint and Genentech, a member of Roche Group (Roche), to patients in the US since September 2020 pursuant to a collaboration agreement between Blueprint and Roche, which agreement was terminated effective in February 2024.

The NCCN Guidelines for NSCLC recommends pralsetinib as a preferred first-line treatment option for RET+ patients, including for patients identified during first-line treatment with systemic therapy.

The FDA granted GAVRETO new chemical entity exclusivity until September 2025 and orphan drug exclusivity until September 2027 with respect to the approval for treatment of adult patients with metastatic RET fusion-positive NSCLC as detected by an FDA-approved test. The FDA also granted GAVRETO two orphan drug exclusivities until December 2027 with respect to FDA approval for the treatment of adult and pediatric patients 12 years of age and older with advanced or metastatic RET fusion-positive thyroid cancer who require systemic therapy and who are radioactive iodine-refractory (if radioactive iodine is appropriate), and for the treatment of adult and pediatric patients 12 years of age and older with advanced or metastatic RET-mutant medullary thyroid carcinoma who require systemic therapy.

Competitive landscape for GAVRETO

GAVRETO faces competition for RET fusion-positive NSCLC and advanced thyroid cancers from Lilly's selpercatinib (Retevmo®). In addition, other commercially available therapies used to treat RET fusion-positive NSCLC include cabozantanib and platinum-based chemotherapy regimens with or without pembrolizumab, atezolizumab, nivolumab/ipilumumab, cemiplimab or tremelimumab-durvalumab. GAVRETO may also face competition from other drug candidates in development for RET-altered cancers, as well as multi-kinase inhibitors with RET activity being evaluated in clinical trials.

GAVRETO commercial activities, including sales and marketing

We began our commercialization and started recognizing revenue from product sales of GAVRETO in June 2024. We believe GAVRETO is highly synergistic with our current product portfolio, and we expect to continue to leverage our existing commercial infrastructure to ensure current and newly prescribed GAVRETO patients have continued access to this important treatment option. We distribute and market GAVRETO for approved indications in RET fusion-positive NSCLC and advanced thyroid cancers.

Clinical Stage Programs

R289, an Oral IRAK1/4 Inhibitor for Hematology-Oncology, Autoimmune, and Inflammatory Diseases

During the second quarter of 2018, we selected R835, a proprietary molecule from our dual IRAK1/4 inhibitor program, for human clinical trials. This investigational candidate is an orally administered, potent and selective inhibitor of IRAK1 and IRAK4 that blocks inflammatory cytokine production in response to toll-like receptor (TLR) and the interleukin-1 receptor (IL-1R) family signaling. TLRs and IL-1Rs play a critical role in the innate immune response and dysregulation of these pathways can lead to a variety of inflammatory conditions. R835 prevents cytokine release in response to TLR and IL-1R activation in vitro, and is active in multiple rodent models of inflammatory disease including psoriasis, arthritis, lupus, multiple sclerosis and gout. Preclinical studies show that R835 inhibits both the IRAK1 and IRAK4 signaling pathways, which play a key role in inflammation and immune responses to tissue damage. Dual inhibition of IRAK1 and IRAK4 allows for more complete suppression of pro-inflammatory cytokine release than inhibition of either one individually.

In October 2019, we announced results from a Phase 1 randomized, placebo-controlled, double-blind clinical study evaluating the safety, tolerability, pharmacokinetics (PK) and pharmacodynamics of R835 in 91 healthy adult subjects. The Phase 1 study showed that R835 had a favorable safety, tolerability and PK profile and established proof-

of-mechanism by demonstrating the inhibition of inflammatory cytokine production in response to a lipopolysaccharide (LPS) challenge.

We advanced the development of our IRAK1/4 inhibitor program, following evaluation of single and multiple ascending doses of R289, a new pro-drug formulation of R835, in healthy subjects. In January 2022, we initiated a Phase 1b open-label, multicenter study to evaluate the safety, tolerability and preliminary efficacy of R289 in patients with R/R lower-risk MDS. In December 2022, we announced the dosing of the first patient. This Phase 1b study is expected to enroll approximately 86 patients (up to 36 patients in the dose escalation phase, up to 40 patients in the dose expansion phase, and 10 less heavily pre-treated lower-risk-MDS patients in an exploratory cohort). Enrollment in the dose escalation part of the study was completed in July 2025. In October 2025, we announced that the first patient was enrolled in the dose expansion part of the study, in which patients will be randomized to receive either 500 mg once daily or 500 mg twice daily, with the goal to determine the recommended phase 2 dose for future clinical studies. The primary objective of the study is safety, with secondary and exploratory objectives to assess preliminary efficacy and characterize the pharmacokinetic and pharmacodynamic profile of R289.

In December 2024, initial data from the dose escalation part of the Phase 1b study was presented at the 66th ASH Annual Meeting and Exposition. In summary, R289 was generally well tolerated with preliminary signs of efficacy in this heavily pretreated lower-risk MDS patient population, the majority of whom were HTB at baseline. RBC-TI ≥8 weeks was achieved by three patients (1 at 500 mg once daily and 2 at 750 mg once daily); two HTB patients achieved RBC-TI >24 weeks. The median duration of RBC-TI was 29 weeks (range 12.7-51.9 weeks). The three patients that achieved RBC-TI had peak hemoglobin increases exceeding 2.0 g/dL compared to baseline. We also reported that one HTB patient receiving 500 mg once daily achieved a minor HI-E response, with a 64% reduction in RBC transfusions compared to baseline; however, in the July 15, 2025 data cut, we determined that this patient had received blood transfusions that were not captured in the database at the time of the initial data analysis. Accordingly, this patient was subsequently determined to be a non-responder. As the study is ongoing, interim results represent information at the time of the data cut, and final study results will be available after the database lock at the end of the study.

On November 3, 2025, we announced that we will present updated data from the dose escalation phase of our ongoing Phase 1b study evaluating R289 in patients with R/R lower-risk MDS, in an oral presentation at the upcoming 67th ASH Annual Meeting and Exposition to be held December 6-9, 2025, in Orlando, Florida, and virtually. R289 continues to be generally well tolerated and demonstrate preliminary signs of efficacy in doses equal to or above 500 mg daily. As of the July 15, 2025 data cutoff, 33 patients were enrolled in the dose escalation part of the study. Patients had a median age of 75 with a median of 3 prior therapies and 61% were high transfusion burden at baseline. Patients received R289 at doses ranging from 250 mg once daily to 500 mg twice daily. For the 500 mg twice daily dose group, five patients were not yet evaluable (<16 weeks follow up) for determination of hematologic responses and one patient withdrew consent. The most frequent treatment emergent adverse events (≥20%) were diarrhea (28.1%), constipation/fatigue (25% each), and creatinine/ALT increased (21.9% each), the majority being Grade 1/2. 1 DLT (Grade 4 AST increase/Grade 3 ALT increase) was reported in the 750 mg dose group. For evaluable transfusion dependent patients (≥16 weeks follow up) receiving doses of at least 500 mg once daily and higher, 4/13 patients (31%) achieved durable RBC-TI for > 8 weeks (500 mg once daily [1/3], 750 mg once daily [2/5], 500/250 mg once daily [1/5]). Duration of RBC-TI was >16 weeks in 3 patients, >24 weeks in 2 patients, and >12 months in 1 patient. The median time to onset of RBC-TI was 2.2 months, and the median duration of RBC-TI was 24.3 weeks. All responding patients had R835 plasma concentrations similar to those at which ≥50% LPS-induced inhibition of cytokine release was observed in healthy volunteers, indicating a potential threshold for dose response (≥500 mg once daily). Updated data as of a October 28, 2025 data cutoff will be presented during the oral presentation.

R289 was granted Fast Track designation by the FDA for the treatment of patients with previously-treated transfusion dependent lower-risk MDS in November 2024. In January 2025, the FDA granted R289 orphan drug designation for the treatment of myelodysplastic syndromes.

Olutasidenib for mIDH1 AML, Other Hematologic Cancers and HGG

We have a strategic collaboration agreement with MDACC to expand our evaluation of olutasidenib in AML and other hematologic cancers with IDH1 mutations. Under such collaboration agreement, we will jointly lead the clinical development efforts with MDACC to evaluate the potential of olutasidenib to treat newly diagnosed and R/R

patients with AML, higher-risk MDS, and advanced myeloproliferative neoplasms, in combination with other agents. The collaboration will also support the evaluation of olutasidenib as monotherapy in patients with IDH1 mutated CCUS and lower-risk MDS, as well as maintenance therapy following hematopoietic stem cell transplant. The five studies outlined in the multi-year strategic development alliance are open for enrollment. The five studies include, (i) a Phase 1b/2 triplet therapy trial of decitabine and venetoclax in combination with olutasidenib in patients with mIDH1 AML. The Phase 1b part of the trial seeks to determine the safety and tolerability and recommended Phase 2 dose of decitabine and venetoclax in combination with olutasidenib. The primary objective of the Phase 2 part of the trial is to determine the complete remission rate in both newly diagnosed and R/R patients; (ii) a Phase 2 study in patients with IDH1-mutated CCUS, lower-risk MDS and chronic myelomonocytic leukemia (CMML); (iii) a Phase 1/2 study of olutasidenib maintenance therapy following an allogeneic stem cell transplant for patients with IDH1-mutated myeloid malignancies; (iv) a Phase 2 study of olutasidenib in combination with hypomethylating agents (HMA) in patients with mIDH1 higher-risk myelodysplastic syndrome (HR-MDS)/ CMML or advanced myeloproliferative neoplasms; and (v) a Phase 2 multi-arm, multi-center, open-label, non-randomized clinical study will evaluate olutasidenib in combination with co-targeted therapies in patients with R/R IDH1-mutated myeloid malignancies harboring activated signaling pathway mutations The primary objectives of the study are to evaluate safety and the composite complete remission rate.

We also have a collaboration with CONNECT to conduct a Phase 2 clinical trial to evaluate olutasidenib in combination with temozolomide in patients with HGG harboring an IDH1 mutation. Under the collaboration, CONNECT will include the olutasidenib treatment arm within CONNECT's TarGet study, a molecularly guided Phase 2 umbrella clinical trial for HGG. In our sponsored arm, TarGet-D, adolescents and young adult patients (<39 years old) with newly-diagnosed IDH1-mutation positive HGG will receive maintenance therapy with olutasidenib in combination with temozolomide for the first year after radiotherapy, followed by olutasidenib monotherapy for the second year. The The first patient was enrolled in the Phase 2 TarGet-D study in October 2025.

Partnered Clinical Programs

Ocadusertib – Lilly

Lilly is continuing to advance ocadusertib (previously R552) and has initiated the Phase 2 trial studying ocadusertib in adult patients with moderately to severely active rheumatoid arthritis. Enrollment in Lilly's Phase 2a clinical trial studying ocadusertib in adult patients with moderately to severely active rheumatoid arthritis is ongoing, with a preliminary analysis of results made available in April 2025. RIPK1 is implicated in a broad range of key inflammatory cellular processes and plays a key role in tumor necrosis factor signaling, especially in the induction of pro-inflammatory necroptosis. On October 1, 2025, we received a notice from Lilly of its intent to terminate the CNS disease program under the Lilly Agreement, which will become effective sixty (60) days following notification.

Other Partnered Programs

We also have product candidates in clinical development with BerGenBio for the development and commercialization of AXL receptor tyrosine kinase inhibitor, R428 (now referred to as bemcentinib (BGB324)), and with Daiichi to pursue research related to MDM2 inhibitor, DS-3032 (now referred as milademetan). The worldwide rights to milademetan were out-licensed from Daiichi to Rain Oncology Inc. (Rain), which is now Pathos AI, Inc. (Pathos) after Pathos completed the acquisition of Rain in January 2024.

Research, Preclinical and Clinical Development Programs

We maintain expertise in drug development to leverage our existing proprietary collection of inhibitors, small-molecule compound libraries and large database of associated phenotypic and biochemical assay results of therapeutic interest. We also maintain leading expertise on specific areas of operation such as inhibition of SYK, IRAK1/4 and RIPK1 kinases and mIDH1 to assist clinical development and commercial affairs, as well as to expand and explore additional opportunities for such inhibitors in the clinical space. Our preclinical operations involve collaborations with clinical research organizations, leading investigators from universities and research organizations around the world, and strategic collaborations with other pharmaceutical companies.

We have experts in clinical development to design and implement clinical trials and to analyze the data derived from these trials. The clinical development group possesses expertise in project management and regulatory affairs. We work with external clinical research organizations with expertise in managing clinical trials, drug formulation, and the manufacture of clinical trial supplies to support our clinical development efforts.

We also have strategic development collaborations with MDACC and CONNECT to conduct evaluation of olutasidenib in AML, other hematologic cancers and glioma. Incrementally, we plan to expand the evaluation of olutasidenib through additional strategic collaborations and potential Rigel-led studies, complementing our existing partnerships with MDACC and CONNECT.

Commercialization and Sponsored Research and License Agreements

See "Note 4 – Sponsored Research and License Agreements" and "Note 5 – In-licensing and Acquisition" to our "Notes to Condensed Financial Statements" contained in Part I, Item 1 of this Quarterly Report on Form 10-Q for related discussions.

Results of Operations

Revenues

	Three Months Ended September 30,		Aggregate Change	Nine Months Ended September 30,		Aggregate Change
	2025	2024		2025	2024	
	(in thousands)					
Product sales, net	$ 64,067	$ 38,927	$ 25,140	$ 166,565	$ 98,380	$ 68,185
Contract revenues from collaborations	5,395	16,380	(10,985)	57,915	23,302	34,613
Total revenues	$ 69,462	$ 55,307	$ 14,155	$ 224,480	$ 121,682	$ 102,798

The following table summarizes the percentages of revenues from each of our customers who individually accounted for 10% or more of the total net product sales and revenues from collaborations:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
McKesson Corporation	48%	43%	39%	44%
Cencora, Inc.	23%	19%	17%	20%
Optime Care, Inc.	11%	*	*	*
Cardinal Health, Inc.	10%	*	*	15%
Lilly	—	—	18%	—
Kissei	*	23%	*	14%

* Denotes less than 10%

Revenue from product sales is related to our sale of our products in the US, net of chargebacks, discounts and fees, government and other rebates and returns. Typically, our first quarter net sales are impacted by the first quarter reimbursement issues such as the resetting of co-pays and the Medicare donut hole.

TAVALISSE net product sales for the three and nine months ended September 30, 2025 were $44.7 million and $113.3 million, respectively, increased by 70% and 54%, respectively, compared to $26.3 million and $73.8 million for the three and nine months ended September 30, 2024, respectively. The increase was primarily due to increased quantities sold and higher price per bottle, and partly due to benefit from lower revenue reserves. REZLIDHIA net product sales for the three and nine months ended September 30, 2025 were $8.3 million and $21.4 million, respectively, increased by 50% and 38%, respectively, compared to $5.5 million and $15.6 million for the three and nine months ended September 30, 2024, respectively. The increase was primarily due to increased quantities sold and higher price per bottle, partially offset by higher revenue reserves. GAVRETO net product sales for the three and nine months ended September 30, 2025 were $11.0 million and $31.9 million, respectively, compared to $7.1 million and $9.0 million for the three and nine months ended September 30, 2024, respectively. We started recognizing GAVRETO net product sales

following the commercialization in late June 2024. The increase in GAVRETO net product sales for the three months ended September 30, 2025 compared to the same period in 2024 was primarily due to increased quantities sold, and partly due to higher price per bottle.

Contract revenues from collaborations for the three and nine months ended September 30, 2025 comprised primarily of revenue from Grifols of $3.1 million and $9.9 million, respectively, related to earned royalty and delivery of drug supply; revenue from Kissei of $1.8 million and $6.9 million, respectively, related to delivery of drug supply and a milestone payment in the first quarter of 2025; and revenue from Medison of $0.2 million and $0.8 million, respectively, related to earned royalty and delivery of drug supply. In addition, contract revenues from collaborations for the nine months ended September 30, 2025 include a $40.0 million non-cash revenue related to the release of cost share liability from our collaboration with Lilly. Contract revenues from collaborations in the three and nine months ended September 30, 2024 comprised primarily of revenue from Kissei of $13.0 million and $17.5 million, respectively, related to an upfront fee from sublicensing olutasidenib and delivery of drug supplies; revenue from Grifols of $3.3 million and $5.5 million, respectively, related to earned royalty and delivery of drug supply; and revenue from Medison of $0.1 million and $0.2 million, respectively, related to earned royalty and delivery of drug supply.

We expect that our future revenues to include product sales of our existing commercial products and product sales from new commercial products we may have in the future. Our net product sales may be impacted by the demand from our customers, changes to government and private payor rebate programs, chargeback and discount programs, co-payment assistance programs, and any other rebate and discount programs we may enter in the future. In addition, our future revenues may include payments from our existing and new collaboration partners and government grants. As of September 30, 2025, we had $1.4 million of deferred revenue relating to our collaboration agreement with Kissei which we will recognize as revenue upon satisfaction of our remaining performance obligations.

Cost of Product Sales

	Three Months Ended September 30,		Aggregate	Nine Months Ended September 30,		Aggregate
	2025	2024	Change	2025	2024	Change
			(in thousands)			
Cost of product sales	$ 4,753	$ 8,026	$ (3,273)	$ 13,666	$ 12,858	$ 808

The cost of product sales includes the cost of inventories sold to our customers and to our collaborative partners. Certain inventories sold for the periods presented include inventory quantities acquired or produced prior to the FDA approval of the product, and do not reflect the full cost of the inventories sold, since such costs incurred prior to FDA approval were previously expensed and charged to research and development expense. Specifically, we have been utilizing zero-cost API for TAVALISSE, with remaining inventories expected to be consumed within the next 12 months. As such, we recognize lower cost of product sales in the periods where we sell inventory quantities acquired or produced prior to the FDA approval of the product. As we acquire or produce more FDA approved inventory quantities, our inventory cost in the balance sheet and cost of product sales will reflect the full cost of acquiring or producing such products. We rely and will continue to rely on certain third parties, including those located outside the US to manufacture our products. The imposition or threat of imposition of trade policies, tariffs (including retaliatory tariffs), taxes and other cross-border operations could result in higher cost of product sales. Cost of product sales may also include reserves for potential excess, dated or obsolete inventories, estimated based upon assumptions about future demand and market conditions as well as product shelf lives. Cost of product sales also includes amortization of intangible assets and royalties.

The decrease in cost of product sales for the three months ended September 30, 2025, compared to the same period in 2024, was primarily driven by a $2.1 million decrease in product costs due to the timing of drug supply deliveries to our collaboration partners, partially offset by higher product costs resulting from increased product sales. Additionally, royalties decreased by $1.1 million due to a sublicensing revenue fee recognized in the third quarter of 2024 related to the sublicensing of olutasidenib to Kissei, partially offset by increased royalties from higher sublicensed product sales.

The increase in cost of product sales for the nine months ended September 30, 2025, compared to the same period in 2024, was primarily driven by $1.1 million in higher royalties resulting from increased sublicensed product sales, partially offset by a sublicensing revenue fee recognized in the third quarter of 2024 related to the sublicensing of

olutasidenib to Kissei. Additionally, amortization expense increased by $0.2 million. These increases were partially offset by decreased product costs of $0.5 million primarily due to the timing of drug supply deliveries to collaboration partners, partially offset by higher product costs resulting from increased product sales.

Research and Development Expense

	Three Months Ended September 30,		Aggregate	Nine Months Ended September 30,		Aggregate
	2025	2024	Change	2025	2024	Change
	(in thousands)					
Research and development expense	$ 7,353	$ 6,182	$ 1,171	$ 22,610	$ 17,748	$ 4,862
Stock-based compensation expense included in research and development expense	$ 402	$ 284	$ 118	$ 1,791	$ 1,239	$ 552

The increase in research and development expense in the three months ended September 30, 2025 compared to the same period in 2024 was primarily due to a $0.5 million increase in personnel-related costs, and a $0.5 million increase in clinical trial related expenses resulting from the timing of clinical development programs including the progress activities on our ongoing IRAK1/4 inhibitor program. In addition, other various research and development expenses increased by $0.2 million.

The increase in research and development expense in the nine months ended September 30, 2025 compared to the same period in 2024 was primarily due to a $3.2 million increase in clinical trial related expenses resulting from the timing of clinical development programs for olutasidenib study, and the progress activities on our ongoing IRAK1/4 inhibitor program, and a $1.4 million increase in personnel-related costs. In addition, other various research and development expenses increased by $0.3 million.

Our research and development expenditures include costs related to preclinical and clinical trials, scientific personnel, supplies, equipment, consultants, sponsored research, stock-based compensation, and allocated facility costs. We expect to continue to incur significant research and development expense as we continue our activities in our clinical studies including IRAK1/4 inhibitor program; our collaborative partnerships with MDACC and CONNECT to evaluate olutasidenib in AML, other hematologic cancers and glioma; and any other clinical programs we may pursue in the future.

We do not track fully burdened research and development costs separately for each of our drug candidates. Our research team is focused on identifying and evaluating product candidates in our focused range of therapeutic indications that can be developed into small molecule therapeutics in our own proprietary programs or with potential collaborative partners. “Research” expenses relate primarily to personnel expenses, lab supplies, fees to third-party research consultants and compounds. Our development group leads the implementation of our clinical and regulatory strategies and prioritizes disease indications in which our compounds may be studied in clinical trials. “Development” expenses relate primarily to clinical trials, personnel expenses, costs related to our regulatory filings, lab supplies and fees to third-party research consultants. “Other” expenses primarily consist of allocated facilities costs and allocated stock-based compensation expense relating to personnel in research and development groups.

In addition to reviewing the three categories of research and development expense described in the preceding paragraph, we principally consider qualitative factors in making decisions regarding our research and development programs, which include enrollment in clinical trials and the results thereof, the clinical and commercial potential for our drug candidates and competitive dynamics. We also make our research and development decisions in the context of our overall business strategy, which includes the evaluation of potential collaborations for the development of our drug candidates.

Preclinical testing and clinical development are long, expensive and uncertain processes, and we cannot reliably predict the timing of such clinical trial activities. In general, biopharmaceutical development involves a series of steps, beginning with identification of a potential target and including, among others, proof of concept in animals and Phase 1, 2 and 3 clinical trials in humans. Significant delays in clinical testing could materially impact our product development

costs and timing of completion of the clinical trials. We do not know whether planned clinical trials will begin on time, will need to be halted or revamped or will be completed on schedule, or at all. Clinical trials can be delayed for a variety of reasons, including delays in obtaining regulatory approval to commence a trial, delays from scale up, delays in reaching agreement on acceptable clinical trial agreement terms with prospective clinical sites, delays in obtaining institutional review board approval to conduct a clinical trial at a prospective clinical site or delays in recruiting subjects to participate in a clinical trial.

We currently do not have reliable estimates of total costs for a particular drug candidate to reach the market. Our potential products are subject to a lengthy and uncertain regulatory process that may involve unanticipated additional clinical trials and may not result in receipt of the necessary regulatory approvals. Failure to receive the necessary regulatory approvals would prevent us from commercializing the product candidates affected. In addition, clinical trials of our potential products may fail to demonstrate safety and efficacy, which could prevent or significantly delay regulatory approval.

The following table presents our total research and development expense by category (in thousands).

	Three Months Ended September 30,		Nine Months Ended September 30,		From January 1, 2007* to September 30, 2025
	2025	2024	2025	2024	
Categories:					
Research	$ 34	$ 37	$ 815	898	$ 271,088
Development	6,827	5,757	19,704	15,224	602,320
Other	492	388	2,091	1,626	281,363
	$ 7,353	$ 6,182	$ 22,610	$ 17,748	$ 1,154,771

* We started tracking research and development expense by category on January 1, 2007.

"Other" expenses in the three months ended September 30, 2025 and 2024 consisted of allocated facilities costs of $0.1 million for each periods, and allocated stock-based compensation expense of $0.4 million and $0.3 million, respectively. For the nine months ended September 30, 2025 and 2024, allocated facilities costs were $0.3 million and $0.4 million, respectively, and allocated stock-based compensation expense was $1.8 million and $1.2 million, respectively.

Selling, General and Administrative Expense

	Three Months Ended September 30,		Aggregate Change	Nine Months Ended September 30,		Aggregate Change
	2025	2024		2025	2024	
	(in thousands)					
Selling, general and administrative expense	$ 28,936	$ 27,043	$ 1,893	$ 85,908	$ 83,539	$ 2,369
Stock-based compensation expense included in selling, general and administrative expense	$ 2,961	$ 2,360	$ 601	$ 8,172	$ 9,067	$ (895)

The increase in selling, general and administrative expense in the three months ended September 30, 2025 compared to the same period in 2024 was primarily due to a $1.6 million increase in personnel-related costs, and a $0.8 million increase in consulting and third-party services. These increases were partially offset by decrease in other various sales, general and administrative expenses of $0.5 million.

The increase in selling, general and administrative expense in the nine months ended September 30, 2025 compared to the same period in 2024 was primarily due to a $2.6 million increase in personnel-related costs, and a $0.4 million increase in other various sales, general and administrative expenses. These increases were partially offset by decreased consulting and third-party services of $0.7 million.

We expect to incur significant selling, general and administrative expenses, and expect our commercial related expenses to increase as we continue to expand our commercial activities. We continue to deploy resources to enable our field-based employees to engage with healthcare providers. These engagements have enabled our field team to cover existing prescribers, as well as develop relationships with new prescribers to identify appropriate patients for our products.

Interest Income and Interest Expense

	Three Months Ended September 30,		Aggregate	Nine Months Ended September 30,		Aggregate
	2025	2024	Change	2025	2024	Change
			(in thousands)			
Interest income	$ 1,094	$ 425	$ 669	$ 2,438	$ 1,570	$ 868
Interest expense	$ (1,894)	$ (2,060)	$ 166	$ (5,621)	$ (5,963)	$ 342

Interest income comprised interest on our cash and investment balances. Interest expense comprised interest on our outstanding term loans with MidCap.

Income Taxes

	Three Months Ended September 30,		Aggregate	Nine Months Ended September 30,		Aggregate
	2025	2024	Change	2025	2024	Change
			(in thousands)			
(Benefit from) provision for income taxes	$ (280)	$ —	$ (280)	$ 154	$ —	$ 154

The quarterly provision for or benefit from income taxes is based on applying the estimated annual effective tax rate to the year-to-date pre-tax income, adjusted for any discrete items. We update our estimate of our annual effective tax rate at the end of each quarterly period.

The benefit from or provision for income taxes for the three and nine months ended September 30, 2025 was primarily related to estimated state income taxes. For the three and nine months ended September 30, 2024, we did not record a provision for income taxes based on the forecasted pre-tax book loss. We do not expect to owe federal income tax due to sufficient net operating loss carryforwards, as well as significant research and development credit carryforwards.

In July 2025, the OBBBA was signed into law. The OBBBA introduces a wide range of provisions affecting business entities, including the establishment of certain permanent business tax measures. Key provisions include a permanent and immediate deduction for domestic research and development expenditures, the restoration and permanent extension of 100% expensing for qualified equipment purchases, and restores the ability to add back depreciation and amortization expense when determining the limitation on interest deductions. In accordance with *ASC 740, Income Taxes*, the effects of changes in tax laws are recognized in the period of enactment. Accordingly, we accounted for the estimated impact of the OBBBA in our current period tax provision. The enactment of the OBBBA did not have a material impact on our condensed financial statements for the three and nine months ended September 30, 2025.

As of September 30, 2025, we continue to record a full valuation allowance on our deferred tax assets. The realization of deferred tax assets is dependent upon demonstrating sufficient positive evidence to conclude that it is more-likely-than-not that our deferred tax assets will be realized. This assessment requires significant judgment. In making this determination, all available evidence, both positive and negative, is considered to determine whether, based on the weight of that evidence, a valuation allowance for deferred tax assets is needed. If sufficient positive evidence becomes available to allow us to reach a conclusion that a portion of the valuation allowance against the deferred tax assets may be reversed, the reversal would result in an income tax benefit for the quarterly and annual fiscal period in which we determine to release such valuation allowance.

Critical Accounting Policies and Use of Estimates

Our discussion and analysis of our financial condition and results of operations is based upon our financial statements, which have been prepared in accordance with US GAAP. The preparation of these financial statements requires us to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be 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. Actual results may differ from these estimates under different assumptions or conditions.

Our critical accounting estimates and significant accounting policies are described in "Note 1 – Description of Business and Summary of Significant Accounting Policies" to our "Notes to Financial Statements" contained in Part II, Item 8, "Financial Statements and Supplementary Data" of our Annual Report on Form 10-K for the year ended December 31, 2024. There have been no material changes to the accounting policies described in our Annual Report on Form 10-K for the year ended December 31, 2024.

Recent Accounting Pronouncements

See related discussions of recently issued accounting standards in "Note 1 – Organization and Summary of Significant Accounting Policies" to our "Notes to Condensed Financial Statements" contained in Part I, Item 1 of this Quarterly Report on Form 10-Q. We continue to evaluate accounting standards that were recently issued but not yet adopted, as applicable.

Liquidity and Capital Resources

Liquidity

As of September 30, 2025 and December 31, 2024, we had approximately $137.1 million and $77.3 million, respectively, in cash, cash equivalents and short-term investments. We continue to maintain investment portfolios primarily in money market funds, US treasury bills, government-sponsored enterprise securities, corporate bonds and commercial paper. Cash in excess of immediate requirements is invested with regard to liquidity and capital preservation. We view our investments portfolio as available-for-sale and are available for use in current operations. Wherever possible, we seek to minimize the potential effects of concentration and degrees of risk. We continue to monitor the impact of the changes in the conditions of the credit and financial markets to our investment portfolio and assess if future changes in our investment strategy are necessary.

The following table summarizes our cash flow activity for the periods presented:

	Nine Months Ended September 30,	
	2025	2024
	(in thousands)	
Net cash provided by (used in):		
Operating activities	$ 53,675	$ 16,968
Investing activities	(67,003)	15,044
Financing activities	5,173	(13,106)
Net (decrease) increase in cash, cash equivalents and restricted cash	$ (8,155)	$ 18,906

Net cash provided by operating activities for the nine months ended September 30, 2025, reflected net income adjusted for non-cash items, partially offset by net cash outflows from changes in working capital. The working capital outflows were primarily driven by increases in prepaid and other current assets due to the timing of advance payments to contract manufacturers and strategic development partners, higher inventory levels due to the timing of production build-up, and increased accounts receivable resulting from timing of collection. These were partially offset by increased liabilities driven by the timing of payments. In comparison, net cash provided by operating activities for the nine months ended September 30, 2024, included net income adjusted for non-cash items and net cash inflows from changes in working capital. The working capital inflows were primarily the result of higher liabilities driven by the timing of payments, partially offset by increases in prepaid and other current assets due to the timing of advance payments to contract manufacturers, and higher inventory levels due to the timing of production build-up.

Net cash used in investing activities for the nine months ended September 30, 2025 primarily comprised net purchases of short-term investments of $67.0 million. Net cash provided by investing activities for the nine months ended September 30, 2024 comprised primarily of net maturities of short-term investments of $15.4 million, partially offset by payments for acquisition of intangible assets of $0.4 million.

Net cash provided by financing activities for the nine months ended September 30, 2025 comprised net proceeds from issuance of common stock from equity plans of $5.2 million. Net cash used in financing activities for the nine months ended September 30, 2024 comprised payment of the closing purchase price to Blueprint of $10.0 million and cost share payments to a collaboration partner of $3.6 million, partially offset by the net proceeds from issuance of common stock from equity plans of $0.5 million.

We believe that our existing capital resources will be sufficient to support our current and projected funding requirements, including the continued commercialization of our products, through at least the next 12 months from this Form 10-Q filing date. We have based this estimate on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we currently expect. Because of the numerous risks and uncertainties associated with commercializing a product, the development of our product candidates and other research and development activities, we are unable to estimate with certainty our future product revenues, our revenues from our current and future collaborative partners, the amounts of increased capital outlays and operating expenditures associated with our current and anticipated clinical trials and other research and development activities.

Capital Resources

We finance our operations primarily through sales of our products, and contract payments under our collaboration agreements, as well as through equity securities and debt financing.

Under our existing collaboration agreements that we entered in the ordinary course of business, we received or may be entitled to receive upfront cash payments, payments contingent upon specified events achieved by such partners and royalties on any net sales of products sold by such partners under the agreements. The total potential future contingent payments due to us under all existing collaboration agreements are approximately $1.1 billion, which amount reflects the impact of Lilly's notice of intent to terminate the CNS disease program in October 2025, and assumes that all potential product candidates achieve every payment-triggering milestone under our current agreements. This estimated future contingent amount does not include any estimated royalties that could be due to us if the partners successfully commercialize any of the licensed products. Future events that may trigger payments to us under the agreements are based solely on our partners' future efforts and achievements of specified development, regulatory and/or commercial events. See further discussion in "Note 4 – Sponsored Research and License Agreements" to our "Notes to Condensed Financial Statements" contained in Part I, Item 1 of this Quarterly Report on Form 10-Q.

We have an Open Market Sale Agreement with Jefferies LLC (Jefferies), as a sole agent, entered on August 4, 2020, and amended and restated on August 2, 2024. Pursuant to such Open Market Sale Agreement, we may sell from time to time, through Jefferies, shares of our common stock in sales deemed to be "at-the-market offerings" as defined in Rule 415 under the Securities Act, subject to conditions specified in the Open Market Sale Agreement, including maintaining an effective registration statement covering the sale of shares under the Open Market Sale Agreement. We have an active Registration Statement filed with the SEC, which registered, among other securities, a base prospectus which covers the offering, issuance, and sale by us of up to $250.0 million in the aggregate of the securities identified from time to time in one or more offerings, which include the $100.0 million of shares of our common stock that may be offered, issued and sold under the Open Market Sale Agreement. As of September 30, 2025, we have not sold any shares of common stock under such Open Market Sale Agreement.

We have a Credit Agreement with MidCap that provides for $60.0 million term loan credit facility, which was fully funded as of September 30, 2025.

We may from time to time consider raising additional funds through public and/or private offerings of equity securities, debt financings, or from other sources, in order to fund ongoing operations, to strengthen our long-term financial profile or to pursue opportunistic corporate development activities. However, certain external factors such as global pandemics, the global tensions arising from the Russia-Ukraine war and Hamas-Israel war, political and economic legislations, and other factors may continue to rapidly evolve which could significantly disrupt the global financial

markets. Our ability to raise additional funds may be adversely impacted by potential worsening of global economic conditions and volatility in the credit and financial markets in the US and worldwide. We could experience an inability to access additional funds, which could in the future negatively affect our capacity for certain corporate development transactions or our ability to make important, opportunistic investments. To the extent that we raise additional funds through the sale of equity, our shareholders' ownership interest may experience substantial dilution. Our current credit facility with MidCap and any debt financing that we can obtain in the future may involve operating covenants that may restrict our business. To the extent that we raise additional funds through collaboration and licensing arrangements, we may be required to relinquish some of our rights to our technologies or product candidates or grant licenses on terms that are not favorable to us.

Our future funding requirements will depend upon many factors, including, but not limited to:

- the ongoing costs to commercialize our products, or any other future product candidates, if any such candidate receives regulatory approval for commercial sale;
- our ability to generate expected revenue from our commercialization efforts;
- the progress and success of our clinical trials and preclinical activities (including studies and manufacture of materials) of our product candidates conducted by us;
- our ability to secure and maintain our patent protection and regulatory rights;
- our ability to meet operating covenants under our current and future credit facilities, if any;
- our ability to enter into partnering opportunities across our pipeline within and outside the US;
- the costs and timing of regulatory filings and approvals by us and our collaborators;
- the progress of research and development programs carried out by us and our collaborative partners;
- any changes in the breadth of our research and development programs;
- the ability to achieve the events identified in our collaborative agreements that may trigger payments to us from our collaboration partners;
- our ability to acquire or license other technologies or compounds that we may seek to pursue;
- our ability to manage our growth;
- competing technological and market developments;
- the costs and timing of obtaining, enforcing and defending our patent and other intellectual property rights, including regulatory rights such as regulatory data exclusivities;
- expenses associated with any unforeseen litigation, including any arbitration and securities class action lawsuits; and
- pressures on and uncertainty surrounding the US federal government policies, and potential changes in budgetary priorities.

Insufficient funds may require us to delay, scale back or eliminate some or all of our commercial efforts and/or research or development programs, to lose rights under existing licenses or to relinquish greater or all rights to product candidates at an earlier stage of development or on less favorable terms than we would otherwise choose or may adversely affect our ability to operate as a going concern.

Material Cash Requirements

We conduct our commercial activities and research and development programs internally and with third parties that include, among others, arrangements with vendors, consultants, contract research organizations (CROs) and universities. Our contract arrangements with these third parties are generally cancellable on reasonable notice, and our obligations under such arrangements are generally based on services performed. We have agreements with certain clinical research organizations to conduct our clinical trials including our strategic development collaborations with MDACC and CONNECT. The timing of payments for any amounts owed under the respective agreements depends on

various factors including, but not limited to, patient enrollment and other progress of the clinical trials. We can terminate these agreements at any time, and if terminated, we would not be liable for the full amount of the respective agreements. Instead, we will be liable for services provided through the termination date plus certain cancellation charges, if any, as defined in each of the respective agreements. In addition, these agreements may, from time to time, be subjected to amendments as a result of any change orders executed by the parties. We expect to continue entering into contracts in the normal course of business with various third parties to support our commercial activities and research and development programs.

In the ordinary course of business, we enter into agreements with contract manufacturers to manufacture our inventory products. Although the agreements generally provide a termination clause with or without cause, we may still be subjected to payment of cancellation fees. The level of cancellation fees is generally dependent on the timing of the written notice in relation to the commencement of work, with the maximum cancellation fees equal to the full price of the work order. In October 2024, we entered into an agreement with a third-party contract manufacturer to manufacture TAVALISSE that is expected to be delivered starting in 2026 through 2029. As of September 30, 2025, the contractual obligation not included in our financial statements related to an agreement that may potentially be subjected to cancellation fees amounting to approximately $22.6 million, with approximately $3.0 million due in the remainder of 2025 and $10.5 million due in 2026 and 2027. As of September 30, 2025, we have not incurred any cancellation fees under our agreements with contract manufacturers.

As discussed in detail in “Note 4 – Sponsored Research and License Agreements” of our “Notes to Condensed Financial Statements” contained in Part I, Item 1 of this Quarterly Report on Form 10-Q, under the Lilly Agreement, although our co-funding obligation for development of ocadusertib (previously R552) in the US, Europe, and Japan ended on April 1, 2024, we have the right to opt-in to co-funding, upon us providing notice to Lilly within 30 days of certain events, as specified in the agreement. On April 30, 2025, we provided notice to Lilly of our decision not to exercise our opt-in right following our evaluation of certain events specified in the Lilly Agreement. Following this notification, we are no longer obligated to share in any future global development costs, which resulted in the release of the $40.0 million remaining cost share liability.

Also, as discussed in detail in “Note 4 – Sponsored Research and License Agreements” and “Note 5 – In-licensing and Acquisition” of our “Notes to Condensed Financial Statements” contained in Part I, Item 1 of this Quarterly Report on Form 10-Q, pursuant to our license and transition services agreement with Forma, Forma is entitled to potential development and regulatory milestone payments and tiered royalty payments on net sales as well as certain portion of sublicensing revenue. Further, following our olutasidenib sublicensing agreements with Kissei and Dr. Reddy’s, Forma is entitled to a portion of the sublicensing revenue we receive from Kissei and Dr. Reddy’s under such respective agreements.

Additionally, as discussed in detail in “Note 5 – In-licensing and Acquisition” of our “Notes to Condensed Financial Statements” contained in Part I, Item 1 of this Quarterly Report on Form 10-Q, pursuant to an Asset Purchase Agreement with Blueprint, in addition to unpaid purchase price consideration, Blueprint is entitled to potential commercial and regulatory milestone payments, as well as tiered royalty payments.

We have a contractual commitment with respect to our credit facility with MidCap. Under the amended Credit Agreement, the term loans mature on September 1, 2027, and the interest-only period is through October 1, 2025. As of September 30, 2025, the outstanding principal amount of the loan was $60.0 million, of which $30.0 million principal payments are due within 12 months. As of September 30, 2025, future interest calculated using the base interest rate as per the amended Credit Agreement, and the final fee payments associated with the credit facility amounted to $9.4 million, with approximately $5.1 million payable within 12 months.

As of September 30, 2025, we have a contractual commitment related to our lease agreement with 611 Gateway which lease will expire in July 2027. As of September 30, 2025, our contractual commitment related to the lease agreements was $1.3 million, of which $0.7 million is payable in the next 12 months.

We are also subject to claims related to the patent protection of certain of our technologies, as well as purported securities class action lawsuit, other litigations, and other contractual agreements. We are required to assess the likelihood of any adverse judgments or outcomes to these matters as well as potential ranges of probable losses. A

determination of the amount of reserves required, if any, for these contingencies is made after careful analysis of each individual matter. We do not have other material contractual commitments with respect to matters discussed above.

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 related to our investments and borrowings. There were no material changes to our quantitative and qualitative disclosures about market risks during the nine months ended September 30, 2025 as disclosed in "Item 7A. Quantitative and Qualitative Disclosures About Market Risks" of our Annual Report on Form 10-K for the year ended December 31, 2024.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures. Based on the evaluation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), our chief executive officer (who serves as our principal executive officer) and our chief financial officer (who serves as our principal financial officer) have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures were effective.

Changes in Internal Controls. There were no changes in our internal control over financial reporting that occurred during the quarter ended September 30, 2025 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

Limitations on the Effectiveness of Controls. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the controls are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, if any, within a company have been detected. Accordingly, our disclosure controls and procedures are designed to provide reasonable, not absolute, assurance that the objectives of our disclosure control system are met and, as set forth above, our chief executive officer and chief financial officer have concluded, based on their evaluation as of the end of the period covered by this report, that our disclosure controls and procedures were sufficiently effective to provide reasonable assurance that the objectives of our disclosure control system were met.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we may be a party or subject to legal proceedings and claims, either asserted or unasserted, which arise in the ordinary course of business. Some of these proceedings that we may be involved in the future, are claims that are subject to substantial uncertainties and unascertainable damages or other remedies.

Our threshold for disclosing material environmental legal proceedings involving a government authority where potential monetary sanctions are involved is $1.0 million.

In June 2022, we received a notice letter regarding an ANDA submitted to the FDA by Annora, requesting approval to market a generic version of TAVALISSE. The notice letter included a Paragraph IV certification with respect to our US Patent Nos. 7,449,458; 8,263,122; 8,652,492; 8,771,648 and 8,951,504, which are listed in the FDA's Approved Drug Products with Therapeutic Equivalence Evaluations (referred to as the "Orange Book"). The notice letter asserts that these patents will not be infringed by Annora's proposed product, are invalid and/or are unenforceable. Annora's notice letter does not provide a Paragraph IV certification against our other patents listed in the Orange Book. On July 25, 2022, we filed a lawsuit in the US District Court for the District of New Jersey against Annora and its affiliates, Hetero Labs Ltd., and Hetero USA, Inc., for infringement of our US patents identified in Annora's Paragraph IV certification. On September 21, 2022, Annora and its affiliates answered and counterclaimed for declaratory judgment of non-infringement and invalidity of the '458, '122, '492, '648, and '504 patents. We served an answer to Annora's counterclaims in October 2022. Annora served invalidity and non-infringement contentions in December 2022. We served an answer to Annora's invalidity and non-infringement contentions in March 2023.

As reported in our Form 10-Q for the first quarter of 2025, in March 2025, we entered into a settlement agreement with Annora resolving patent litigation related to our product TAVALISSE. Under the terms of the settlement agreement, Annora will have a license to sell its generic product in the second quarter of 2032 or earlier under certain circumstances. In accordance with the settlement agreement, the parties terminated all ongoing litigation between us and Annora regarding TAVALISSE patents pending in New Jersey as of March 26, 2025.

Item 1A. Risk Factors

In evaluating our business, you should carefully consider the following risks, as well as the other information contained in this Quarterly Report on Form 10-Q. These risk factors could cause our actual results to differ materially from those contained in forward-looking statements we have made in this Quarterly Report on Form 10-Q and those we may make from time to time. If any of the following risks actually occurs, our business, financial condition and operating results could be harmed. The risks and uncertainties described below are not the only ones facing us. Additional risks and uncertainties not presently known to us, or that we currently see as immaterial, may also harm our business.

We have marked with an asterisk (*) those risk factors below that reflect a substantive change from the risk factors included in our Annual Report on Form 10-K for the year ended December 31, 2024 filed with the SEC on March 4, 2025, if any.

Risk Factor Summary

- Our prospects are highly dependent on our existing commercial products. To the extent that the commercial success of our products in the US and respective territories outside of the US is diminished or halted, our business, financial condition and results of operations may be adversely affected, and the price of our common stock may decline.
- We may not be able to successfully develop or commercialize our product candidates if problems arise in the clinical testing and/or approval process. There is a high risk that drug discovery and development efforts might not generate successful product candidates. If the results of our clinical trials do not meet the primary efficacy endpoints, or if the top-line data from the results of our clinical trials may not ultimately meet the requirements for an NDA approval by the FDA and other regulatory authorities, the commercial prospects of our business may be harmed, and our ability to generate product revenues may be delayed or eliminated.
- Our strategy to expand our hematology and oncology pipeline on our own, or through acquisitions or in-licensing of early or late-stage products or companies, or through partnerships with pharmaceutical and biotechnology companies, as well as academic institutions and government organizations, may not be successful.
- Even if we, or any of our collaborative partners, are able to continue to commercialize our products or any product candidate that we, or they, develop, the product may become subject to unfavorable pricing regulations, unfavorable health technology assessments (HTA), third-party payor reimbursement practices or labeling restrictions, all of which may vary from country to country and any of which could harm our business.
- If we are unable to successfully market and distribute our products and retain experienced commercial personnel, our business will be substantially harmed.
- We are subject to stringent and evolving healthcare regulatory, privacy and information security laws, regulations, rules, policies and contractual obligations, and changes in such laws, regulations, rules, policies, contractual obligations and our actual or perceived failure to comply with such requirements could subject us to significant investigations, audits, fines, penalties, and claims, any of which may have a material adverse effect on our business, financial condition, results of operations or prospects.
- If manufacturers obtain approval for generic versions of our products, or of products with which we compete, our business may be harmed.
- Unforeseen safety issues could emerge with our products that could require us to change the prescribing information to add warnings, limit use of the product, and/or result in litigation. Any of these events could have a negative impact on our business.

- We rely and may continue to rely on third-party distribution facilities for the sale of our products and potential sale of any of our product candidates. If any or all of them become subject to adverse findings from inspections or face other difficulties to operate, then the distribution of our products may be interrupted or otherwise adversely affected.

- We lack the capability to manufacture compounds for clinical development and we intend to rely on third parties for commercial supply, manufacturing and distribution, if any, of our product candidates which receive regulatory approval and we may be unable to obtain required material or product in a timely manner, at an acceptable cost or at a quality level required to receive regulatory approval.*

- Any product for which we have obtained regulatory approval, or for which we obtain approval in the future, is subject to, or will be subject to, extensive ongoing regulatory requirements by the FDA, EMA, MHRA and other comparable regulatory authorities, and if we fail to comply with regulatory requirements or if we experience unanticipated problems with our products, we may be subject to penalties, we may be unable to generate revenue from the sale of such products, our potential for generating positive cash flow may be diminished, and the capital necessary to fund our operations will be increased. Additionally, approval of a drug under the accelerated drug approval program may be withdrawn or the labeled indication of the drug changed if trials fail to verify clinical benefit or do not demonstrate sufficient clinical benefit to justify the risks associated with the drug.

- If our corporate collaborations or license agreements are unsuccessful, or if we fail to form new corporate collaborations or license agreements, our research and development efforts could be delayed.

- Our success is dependent on securing intellectual property rights and data exclusivity and other regulatory rights (such as orphan exclusivity, pediatric extensions and supplementary protection certificate) held by us and third parties, and our interest in such rights is complex and uncertain.

- If a dispute arises regarding the infringement or misappropriation of the proprietary rights of others, such dispute could be costly and result in delays in our research and development activities, partnering and commercialization activities.

- If our competitors develop technologies that are more effective than ours, our commercial opportunity will be reduced or eliminated.

- If product liability lawsuits are successfully brought against us, we may incur substantial liabilities and may be required to limit commercialization of our products.

Risks Related to Our Business and Our Industry

If the market opportunities for our products and product candidates are smaller than we believe they are, our revenues may be adversely affected, and our business may suffer.

Certain of the diseases that our products and our other product candidates being developed to address are in underserved and underdiagnosed populations. Our projections of both the number of people who have these diseases, as well as the subset of people with these diseases who will seek treatment utilizing our products or product candidates, may not be accurate. If our estimates of the prevalence or number of patients potentially on therapy prove to be inaccurate, the market opportunities for our products and our other product candidates may be smaller than what we believe they are, our prospects for generating expected revenue may be adversely affected and our business may suffer.

We may need to continue to increase the size of our organization and we may encounter difficulties with managing our growth, which could adversely affect our business and results of operations.

While we have substantially increased the size of our organization particularly in our sales force in 2021, we also implemented reductions in workforce particularly in our research and development group in 2021 and 2022. We may need to add additional qualified personnel and resources to support our commercial activities and expected growth. Our current infrastructure may be inadequate to support our development and commercialization efforts and expected

growth. Future growth will impose significant added responsibilities on members of management, including the need to identify, recruit, maintain and integrate additional employees, and may take time away from running other aspects of our business, including commercialization of our products and development of our other product candidates.

Our future financial performance and our ability to sustain successful commercialization of our products and our ability to commercialize other product candidates that may receive regulatory approval will depend, in part, on our ability to manage any future growth effectively. In particular, as we continue to commercialize our products, we will need to support the training and ongoing activities of our sales force and will likely need to continue to expand the size of our employee base for managerial, operational, financial and other resources. To that end, we must be able to successfully:

- manage our development efforts effectively;
- integrate additional management, administrative and manufacturing personnel;
- further develop our marketing and sales organization; and
- maintain sufficient administrative, accounting and management information systems and controls.

We may not be able to accomplish these tasks or successfully manage our operations and, accordingly, may not achieve our research, development, and commercialization goals. Our failure to accomplish any of these goals, including as a result of business or other interruptions resulting from a potential pandemic or global economic slowdown, could adversely affect our business and operations.

Our strategy to expand our hematology and oncology pipeline on our own, or through acquisitions or in-licensing of early or late-stage products or companies, or through partnerships with pharmaceutical and biotechnology companies, as well as academic institutions and government organizations, may not be successful.

Our business is focused on the development and commercialization of novel therapies that significantly improve the lives of patients with hematologic disorders and cancer. In this regard, we continue to pursue internal drug discovery efforts or partnerships with pharmaceutical and biotech companies, as well as academic institutions and government organizations, with the goal of identifying new product candidates to advance into clinical trials. Our discovery efforts to identify new product candidates require substantial technical, financial and human resources. These discovery efforts may initially show promise in identifying potential product candidates, yet ultimately fail to yield product candidates for clinical development for a number of reasons. For example, potential product candidates may, on later stage clinical trial, be shown to have inadequate efficacy, harmful side effects, suboptimal pharmaceutical profiles or other characteristics suggesting that they are unlikely to be commercially viable products.

Apart from our discovery efforts, we continue to seek to broaden and diversify our product portfolio through acquisition or in-licensing of a product. This strategy is dependent on our ability to successfully identify and acquire or in-license relevant product candidates. In July 2022, we entered into a license and transition services agreement with Forma for an exclusive license to develop, manufacture and commercialize olutasidenib, a proprietary inhibitor of mIDH1, for any uses worldwide, including for the treatment of AML and other malignancies. In December 2022, the FDA approved REZLIDHIA capsules for the treatment of adult patients with R/R AML with a susceptible IDH1 mutations as detected by an FDA-approved test. REZLIDHIA is our second commercial product and we believe is highly synergistic with our existing hematology-oncology focused commercial and medical affairs infrastructure. Further, in February 2024, we entered into an Asset Purchase Agreement with Blueprint to purchase certain assets comprising the right to research, develop, manufacture and commercialize GAVRETO, Blueprint's proprietary RET inhibitor of tyrosine kinase for the treatment of metastatic RET fusion-positive NSCLC and advanced thyroid cancer, in the US. Simultaneously and in connection with entering into the Asset Purchase Agreement, we also entered into certain supporting agreements with Blueprint, including a customary transition agreement, pursuant to which, during a transition period, Blueprint will transition regulatory and distribution responsibility for pralsetinib to us. In June 2024, we announced the completion of the transfer of GAVRETO NDA to us, and GAVRETO became commercially available from us in the US by prescription. The in-licensing and acquisition of a product is a highly competitive area, and many other companies are pursuing the same or similar product candidates to those that we may consider attractive. In

particular, larger companies with more well-established and diverse revenue streams may have a competitive advantage over us due to their size, financial resources and more extensive clinical development and commercialization capabilities. Furthermore, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. The success of this strategy depends partly upon our ability to identify, select and acquire or in-license promising product candidates and technologies. The process of proposing, negotiating and implementing a license or acquisition of a product candidate is lengthy and complex, and we may be unable to in-license or acquire the rights to any such products, product candidates or technologies from third parties for several reasons. We may also be unable to in-license or acquire additional relevant product candidates on acceptable terms. Further, even if we identify acquisition or in-licensing targets, we may not be able to complete the transactions or we may determine after due diligence investigation not to pursue identified targets. Even if we succeed in our efforts to obtain rights to suitable product candidates, the success of our investments in these areas, our investment strategy will remain subject to the inherent risks associated with the development and commercialization of the product, and with the competitive business environment in which we operate.

In addition, acquisitions and in-licensing may entail numerous operational, financial and legal risks, including:

- potential failure of the due diligence process to identify significant problems, liabilities or other shortcomings or challenges of an acquired or licensed product candidate or technology, including problems, liabilities or other shortcomings or challenges with respect to intellectual property, product quality, partner disputes or issues and other legal and financial contingencies and known and unknown liabilities;
- inability to integrate the target company or in-licensed asset successfully into our existing business and inability to maintain the key business relationships of the target;
- in an in-licensing or an asset acquisition of a product that is commercially available in the market, we may not be able to successfully transition the existing patients who are dependent to the acquired or in-licensed product, or successfully enter into a reimbursement coverage contracts that the existing patients were previously dependent into, or successfully enter into a contract with contract manufacturers to continue the production of the in-licensed or acquired product;
- assumption of unknown or contingent liabilities or incurrence of unanticipated expenses;
- exposure to known and unknown liabilities, including possible intellectual property infringement claims, violations of laws, tax liabilities and commercial disputes;
- incurrence of substantial debt, dilutive issuances of securities or depletion of cash to pay for acquisitions;
- incurrence of large one-time expenses and acquiring intangible assets that could result in significant future amortization expense and significant write-offs;
- higher than expected acquisition and integration costs; and
- inability to maintain uniform standards, controls, procedures and policies.

There is a high risk that drug discovery and development efforts might not generate successful product candidates.*

We currently have product candidates in the clinical testing stage and may further pursue to expand our clinical testing efforts. In our industry, it is statistically unlikely that the limited number of compounds that we have identified as potential product candidates will actually lead to successful product development efforts. We have invested a significant portion of our efforts and financial resources into clinical development. Our ability to generate product revenue, which will not occur until after regulatory approval, if ever, will depend on the successful development, regulatory approval and eventual commercialization of our product candidates.

Our compounds in clinical trials and our future leads for potential drug compounds are subject to the risks and failures inherent in the development of pharmaceutical products. These risks include, but are not limited to, the inherent difficulty in selecting the right drug and drug target and avoiding unwanted side effects, as well as unanticipated problems relating to product development, testing, enrollment, obtaining regulatory approvals, obtaining and maintaining reimbursement in national markets and positive recommendation from HTA bodies, maintaining regulatory compliance, manufacturing, competition and costs and expenses that may exceed current estimates. In future clinical trials, we, our partners or others may discover additional side effects and/or a higher frequency of side effects than those observed in previously completed clinical trials. The results of preliminary and mid-stage clinical trials do not necessarily predict clinical or commercial success, and larger later-stage clinical trials may fail to confirm the results observed in the previous clinical trials. Similarly, a clinical trial may show that a product candidate is safe and effective for certain patient populations in a particular indication, but other clinical trials may fail to confirm those results in a subset of that population or in a different patient population, which may limit the potential market for that product candidate. For example, in October 2024, we issued a Dear Healthcare Provider Letter for GAVRETO related to a new safety signal identified in an ongoing Phase 3 clinical trial of pralsetinib in first-line treatment of RET fusion-positive, metastatic NSCLC patients, being conducted by Roche. The letter advises healthcare providers to apply certain measures to protect patient safety, including enhanced ongoing monitoring for signs and symptoms of infection as well as guidance for withholding treatment to patients in the presence of active infection. With respect to our own compounds in development, we have established anticipated timelines with respect to the initiation of clinical trials based on existing knowledge of the compounds. However, we cannot provide assurance that we will meet any of these timelines for clinical development. Additionally, the initial results of a completed earlier clinical trial of a product candidate do not necessarily predict final results and the results may not be repeated in later clinical trials.

Because of the uncertainty of whether the accumulated preclinical evidence (pharmacokinetic, pharmacodynamic, safety and/or other factors) or early clinical results will be observed in later clinical trials, we can make no assurances regarding the likely results from our future clinical trials or the impact of those results on our business. For example, we conducted a Phase 3 pivotal trial of fostamatinib in patients with warm auto immune hemolytic anemia (wAIHA) initiated in March 2019 and completed in April 2022. In June 2022, we announced top-line efficacy and safety data results of the trial, and the results did not demonstrate statistical significance in the primary efficacy endpoint of durable hemoglobin response in the overall study population. We conducted an in-depth analysis of these data to better understand differences in patient characteristics and outcomes and submitted these findings to the FDA. In October 2022, we announced that we received guidance from the FDA's review of these findings. Based on the result of the trial and the guidance from the FDA, we did not file an sNDA for this indication. Further, we may experience errors, data capture discrepancies at initial data analysis and final study results, or other technical issues in the analysis of our clinical trial results. For example, we conducted our Phase 3 clinical trial to evaluate safety and efficacy of fostamatinib in hospitalized COVID-19 patients launched in November 2020 and completed enrollment in July 2022. We previously announced in November 2022 the top-line results did not meet statistical significance in the primary efficacy endpoint. Upon further analysis, we discovered an error by the biostatistical contract research organization in the application of a statistical stratification factor. After correcting for this statistical error, the primary endpoint of the study was met. However, given the end of the federal COVID-19 PHE in May 2023, and based on feedback from the FDA, DOD and other advisors regarding the program's regulatory requirements, costs, timeline and potential for success, we decided not to submit an Emergency Use Authorization (EUA) or sNDA. In addition, in December 2024, we presented initial data from the dose escalation part of the Phase 1b study evaluating the safety, tolerability and preliminary efficacy of R289 in patients with R/R lower-risk MDS. We reported that one HTB patient receiving 500 mg once daily achieved a minor HI-E response, with a 64% reduction in RBC transfusions compared to baseline; however, in the July 15, 2025 data cut, we determined that this patient had received blood transfusions that were not captured in the database at the time of the initial data analysis. Accordingly, this patient was subsequently determined to be a non-responder. As the study is ongoing, interim results represent information at the time of the data cut, and final study results will be available after the database lock at the end of the study.

Foreign regulatory requirements governing clinical trials may diverge and impose additional regulatory burdens, which may result in delays. For instance, the new EU Clinical Trials Regulation (EU) No 536/2014 (CTR) has amended the system of approval for clinical trials in the EU and has established a new clinical trials portal and database for application for authorizations, called the Clinical Trials Information System (CTIS). All ongoing clinical trials in the EU will be subject to the provisions of the CTR as of January 31, 2025. In addition, on June 18, 2024, new CTIS transparency rules came into effect, requiring scheduled publication of certain key clinical trial information.

If the results of our clinical trials fail to meet the primary efficacy endpoints, or otherwise do not ultimately meet the requirements for an NDA approval by the FDA, the commercial prospects of our business may be harmed, our ability to generate product revenues may be delayed or eliminated or we may be forced to undertake other strategic alternatives that are in our shareholders' best interests, including cost reduction measures. If we are unable to obtain adequate financing or engage in a strategic transaction on commercially reasonable terms or at all, we may be required to implement further cost reduction strategies which could significantly impact activities related to our commercial efforts and/or research and development of our future product candidates, and could significantly harm our business, financial condition and results of operations. In addition, these cost reduction strategies could cause us to further curtail our operations or take other actions that would adversely impact our shareholders.

We are subject to federal and state healthcare fraud and abuse laws, false claims laws and other federal and state healthcare laws, and the failure to comply with such laws could result in substantial penalties. Our employees, independent contractors, consultants, principal investigators, CROs, commercial partners and vendors may engage in misconduct or other improper activities, including noncompliance with regulatory standards and requirements.

Our business operations and current and future arrangements with investigators, healthcare professionals, consultants, third-party payors and customers, may expose us to broadly applicable federal, state and foreign fraud and abuse and other healthcare laws and regulations including anti-kickback and false claims laws, data privacy and security laws, and transparency reporting laws. These laws may constrain the business or financial arrangements and relationships through which we conduct our operations, including how we research, market, sell and distribute any product for which we have obtained regulatory approval, or for which we may obtain regulatory approval in the future. In particular, the promotion, sales and marketing of healthcare items and services, as well as certain business arrangements in the healthcare industry, are subject to extensive laws and regulations intended to prevent fraud, misconduct, bribery kickbacks, self-dealing and other abusive or inappropriate practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, including promoting off-label uses of our products, certain commission compensation, certain customer incentive programs, certain patient support offerings, and other business arrangements generally. Activities subject to these laws also involve the improper use or misrepresentation of information obtained in the course of patient recruitment for clinical trials, creating fraudulent data in our preclinical studies or clinical trials or illegal misappropriation of drug product, which could result in regulatory sanctions and cause serious harm to our reputation. See "Business – Government Regulation – Healthcare and Privacy Law and Regulation and Healthcare Reform" contained in Part I, Item 1 of our Annual Report on Form 10-K for the year ended December 31, 2024, for more information on the healthcare laws and regulations that may affect our ability to operate.

We are also exposed to the risk of fraud, misconduct or other illegal activity by our employees, independent contractors, consultants, principal investigators, CROs, commercial partners and vendors. Misconduct by these parties could include intentional, reckless and/or negligent conduct that fails to: comply with the laws of the FDA and other similar foreign regulatory bodies; provide true, complete and accurate information to the FDA and other similar foreign regulatory bodies; comply with manufacturing standards we have established; comply with federal and state data privacy, security, fraud and abuse and other healthcare laws and regulations in the US and similar foreign fraudulent misconduct laws; or report financial information or data accurately or to disclose unauthorized activities to us. It is not always possible to identify and deter employee misconduct, and the precautions we take to detect and prevent inappropriate conduct may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations.

We are also subject to the risk that a person or government could allege such fraud or other misconduct, even if none occurred. Efforts to ensure that our business arrangements will comply with applicable healthcare laws and regulations will involve substantial costs. It is possible that governmental and enforcement authorities will conclude that our business practices may not comply with current or future statutes, regulations or case law interpreting applicable fraud and abuse or other healthcare laws and regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of significant civil, criminal and administrative penalties, damages, disgorgement, monetary fines, imprisonment, additional reporting obligations and oversight if we become subject to a corporate integrity agreement or other agreement to resolve allegations of non-compliance with these laws, possible exclusion from

participation in Medicare, Medicaid and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, and curtailment or restructuring of our operations, any of which could adversely affect our ability to operate our business and our results of operations.

We are subject to stringent and evolving privacy and information security laws, regulations, rules, policies, and contractual obligations, and changes in such laws, regulations, rules, policies, contractual obligations and our actual or perceived failure to comply with such requirements could subject us to significant investigations, fines, penalties and claims, any of which may have a material adverse effect on our business, financial condition, results of operations or prospects.*

We are subject to, or affected by, various federal, state and foreign laws, rules, directives, and regulations, as well as regulatory guidance, policies and contractual obligations relating to privacy and information security, governing the acquisition, collection, access, use, disclosure, processing, modification, retention, storage, transfer, destruction, protection, and security (collectively, "processing") of personal information and other sensitive information about individuals. The global privacy and information security landscape is evolving rapidly, and implementation standards and enforcement practices are likely to continue to develop for the foreseeable future and may result in conflicting or inconsistent compliance obligations. Legislators and regulators are increasingly adopting or amending privacy and information security laws, rules, directives, and regulations that may create uncertainty in our business, affect our or our collaborators', service providers' and contractors' ability to operate in certain jurisdictions or to process personal information, transfer data internationally, necessitate the acceptance of more onerous obligations in our contracts, result in enforcement actions, litigation or other liability or impose additional costs on us. The cost of compliance with these laws, regulations and standards is high and is likely to increase in the future. Any failure or perceived failure by us or our collaborators, service providers and contractors to comply with federal, state or foreign laws or regulations, our internal policies and procedures or our contracts governing the processing of personal information could result in negative publicity, diversion of management time and effort and proceedings against us by governmental entities or others. In many jurisdictions, enforcement actions, litigation, and other consequences for noncompliance with privacy and information security laws and regulations are rising. Compliance with applicable privacy and information security laws and regulations, as well as regulatory guidance, policies and contractual obligations, is a rigorous and time-intensive process, and we may be required to put in place additional mechanisms to ensure compliance with the new privacy and information security requirements. If we fail to comply with any such obligations, we may face significant investigations, fines, penalties and claims that could materially and adversely affect our business, financial condition, results of operations, ability to process personal information and income from certain business initiatives.

We, like many companies in our industry, are evaluating and selectively using artificial intelligence (AI), including large language models and other emerging technologies, to enhance certain business processes, research initiatives, and operational efficiency. Although our current use of AI is limited, we expect that our reliance on these technologies may increase over time. As we incorporate AI and machine learning technologies in our business processes, evolving AI-specific regulation may impose additional obligations and liability for bias, transparency, or data handling, which could affect our ability to innovate efficiently. The performance of AI systems depends on the quality of the underlying data and algorithms. Errors, bias, or lack of transparency in AI outputs could lead to inaccurate analyses, unintended disclosures of confidential information, or flawed internal decisions. The use of third-party AI tools, including those hosted on external platforms, may also create risks relating to data privacy, cybersecurity, and intellectual property ownership, especially if proprietary or personal information is input into such systems. Because the laws, regulations, and ethical standards applicable to AI continue to develop, and public expectations surrounding responsible use of AI are increasing, we may face additional compliance burdens or reputational risks in the future. Any actual or perceived misuse of AI technologies, failure to comply with evolving requirements, or unanticipated consequences of AI-assisted activities could negatively impact our operations, reputation, or financial performance.

In the US, these obligations include various federal, state, and local statutes, rules, and regulations relating to privacy and data security. The Federal Trade Commission (FTC) has authority under Section 5 of the FTC Act to regulate unfair or deceptive or practices, and has used this authority to initiate enforcement actions against companies that implement inadequate controls around privacy and information security in violation of their externally facing policies. The FTC has brought several cases alleging violations of Section 5 of the FTC Act with respect to health information, and has proposed rulemaking on a variety of privacy and data security topics. Additionally, the FTC published an advance notice of proposed rulemaking in 2022 on commercial surveillance and data security, and may

propose regulation concerning the ways in which companies collect, aggregate, protect, use, analyze, and retain consumer data, as well as transfer, share, sell, or otherwise monetize that data in the coming years. The FTC has also been active with respect to enforcement of its Health Breach Notification Rule and in scrutinizing the use and disclosure of sensitive personal information. The FTC finalized changes to the Health Breach Notification Rule in April 2024. Moreover, the US federal government has also enacted statutes to address privacy and information security issues impacting particular industries or activities, including the following laws and regulations, including, but not limited to: the Electronic Communications Privacy Act, the Computer Fraud and Abuse Act, the Health Insurance Portability and Accountability Act (HIPAA), the Health Information Technology for Economic and Clinical Health Act, the Telephone Consumer Protection Act, the CAN-SPAM Act, and other laws and regulations, and continues to consider comprehensive federal privacy legislation.

In addition, state legislatures have enacted statutes to address privacy and information security issues, including the California Consumer Privacy Act of 2018 (the CCPA). For example, the CCPA, as amended by the California Privacy Rights Act (CPRA), establishes a privacy framework applicable to for-profit entities that are doing business in California, including an expansive definition of personal information and data privacy rights for California residents (as consumers, business contacts and employees), and authorizes potentially severe statutory damages and creates a private right of action for certain data security breaches. The CCPA also requires businesses subject to the law to provide disclosures to California residents and to provide them with rights with respect to their personal information, including the right to opt out of the sale of such information. Moreover, the CPRA, among other things, imposes requirements relating to data minimization and correction, and gives California residents additional rights over their personal information, including the right to opt-out of the use of their personal information in online behavioral advertising and to opt-out of certain types of consumer profiling. The CPRA also provides for penalties for CPRA violations concerning California residents under the age of 16, and established the California Privacy Protection Agency to implement and enforce the law. Although there are exemptions for protected health information, clinical trial and other research-related data under the CCPA, the CCPA could impact our business depending on how it is interpreted by the California Privacy Protection Agency, as well from new regulations issued by the Agency to further implement the law. Compliance with the CCPA may increase our compliance costs and potential liability.

Multiple other states have followed California and enacted comprehensive privacy laws, or are considering similar legislation. While these new laws and proposals generally include exemptions for HIPAA-covered protected health information and clinical trial data, they add layers of complexity to compliance in the US market, and could increase our compliance costs and adversely affect our business. Moreover, some states have enacted laws specific to health data privacy, which may cause additional compliance costs such as the Washington My Health My Data Act and Nevada's Consumer Health Data Privacy Law. For example, the Washington My Health My Data Act regulates "consumer health data" which is defined as "personal information that is linked or reasonably linkable to a consumer and that identifies a consumer's past, present, or future physical or mental health." However, the My Health My Data Act provides exemptions for personal data used or shared in research, including data subject to 45 C.F.R. Parts 46, 50, and 56. States, such as Colorado, Utah and California, have passed or are considering legislation or regulation governing the development or use of AI technologies, supplementing the existing consumer protection, FDA and other regulatory guidance that may apply to the use of AI technologies in our business, and which may impact our use of technology. Moreover, many states also have in place data security laws requiring companies to maintain certain safeguards with respect to the processing of personal information, and all states require companies to notify individuals or government regulators in the event of a data breach impacting such information.

Laws and regulations relating to privacy, data protection, consumer protection, AI and information security are evolving and subject to potentially differing interpretations. These requirements may be interpreted and applied in a manner that varies from one jurisdiction to another and/or may conflict with other laws or regulations. New laws and regulations add additional complexity, requirements, restrictions and potential legal risk. Accordingly, compliance programs may require additional investment in resources, and could impact availability of previously useful data.

Internationally, our operations abroad may also be subject to increased scrutiny or attention from foreign data protection authorities. For example, our clinical trial programs and research collaborations outside the US may implicate foreign data protection laws, including those in the European Economic Area, Switzerland, and/or the UK (collectively, Europe). Many jurisdictions have established or are in the process of establishing privacy and data security legal frameworks with which we, our collaborators, service providers, including our CROs, and contractors must comply. For

example, in the EU, the collection, use, disclosure, transfer and other processing of personal data (i.e., data which identifies an individual or from which an individual is identifiable) is governed by the EU General Data Protection Regulation 2016/679 (the EU GDPR), which came into direct effect in all EU Member States on and from May 25, 2018. The UK has implemented the EU GDPR as the UK GDPR which sits alongside the UK Data Protection Act 2018 (the UK GDPR, and together with the EU GDPR, the GDPR). In October 2024, the UK government introduced to Parliament the Data (Use and Access) Bill (the DUA Bill) which is set to introduce reforms to the UK GDPR. The DUA Bill is currently progressing through the legislative process and is expected to be finalized during 2025. The GDPR has direct effect where an entity is established in the European Economic Area (EEA) or the UK (as applicable) and has extraterritorial effect, including where an entity established outside of the EEA or the UK processes personal data in relation to the offering of goods or services to individuals in the EEA and/or the UK or the monitoring of their behavior.

The GDPR imposes obligations on controllers, including, among others:

- accountability and transparency requirements, requiring controllers to demonstrate and record compliance with the GDPR and to provide more detailed information to data subjects regarding the processing of their personal data;
- requirements to process personal data lawfully including specific requirements for obtaining valid consent where consent is the lawful basis for processing;
- obligations to consider data protection when any new products or services are developed and designed (including e.g., to limit the amount of personal data processed);
- obligations to comply with data protection rights of data subjects including a right: (i) of access to, erasure of, or rectification of personal data, (ii) to restriction of processing or to withdraw consent to processing, (iii) to object to processing or to ask for a copy of personal data to be provided to a third party, and (iv) not to be subject to solely automated decision-making; and
- an obligation to report personal data breaches to: (i) the data protection supervisory authority without undue delay (and no later than 72 hours) after becoming aware of the personal data breach, where feasible, unless the personal data breach is unlikely to result in a risk to the data subjects' rights and freedoms; and (ii) affected data subjects, where the personal data breach is likely to result in a high risk to their rights and freedoms.

In addition, the EU GDPR prohibits the international transfer of personal data from the EEA to jurisdictions that the European Commission does not recognize as having an 'adequate' level of data protection unless a data transfer mechanism has been put in place or a derogation under the EU GDPR can be relied on. In certain cases (e.g., where transfers are made in reliance on EU SCCs) a company must also carry out a so-called transfer privacy impact assessment (TIA). A TIA, among other things, assesses laws governing access to personal data in the recipient country and considers whether supplementary measures that provide privacy protections additional to those provided under EU SCCs will need to be implemented to ensure an 'essentially equivalent' level of data protection to that afforded in the EEA.

On July 10, 2023, the European Commission adopted its Final Implementing Decision granting the US adequacy (Adequacy Decision) for EU-US transfers of personal data for entities self-certified to the EU-US Data Privacy Framework (DPF). Entities relying on EU SCCs for transfers to the US. are also able to rely on the analysis in the Adequacy Decision as support for their TIA regarding the equivalence of US national security safeguards and redress.

The UK GDPR also imposes similar restrictions on transfers of personal data from the UK to jurisdictions that the UK Government does not consider adequate, including the US. The UK Government has published its own form of the EU SCCs, known as the International Data Transfer Agreement and an International Data Transfer Addendum to the EU SCCs. The UK Information Commissioner's Office (ICO) has also published its version of the TIA and guidance on international transfers, although entities may choose to adopt either the EU or UK style TIA. Further, on September 21, 2023, the UK Secretary of State for Science, Innovation and Technology established a UK-US data bridge (i.e., a UK

adequacy decision) and adopted UK regulations to implement the UK-US data bridge (UK Adequacy Regulations). Personal data may be transferred from the UK under the UK-US data bridge through the UK extension to the DPF, from October 12, 2023, to organizations self-certified under the UK extension to the DPF.

Data protection supervisory authorities have the power under the GDPR to (amongst other thing) impose fines for serious breaches of up to the higher of 4% of the organization's annual worldwide turnover or €20 million (under the EU GDPR) or £17.5 million (under the UK GDPR). The GDPR identifies a list of points to consider when determining the level of fines for data supervisory authorities to impose (including the nature, gravity and duration of the infringement). Data subjects also have a right to compensation, as a result of an organization's breach of the GDPR which has affected them, for financial or non-financial losses (e.g., distress).

Privacy and data protection compliance has and may in the future require substantial amendments to our procedures and policies and the changes could adversely impact our business by increasing operational and compliance costs or impact business practices. Further, there is a risk that the amended policies and procedures will not be implemented correctly or that individuals within the business will not be fully compliant with the new procedures. If there are breaches of these measures, we could face significant litigation, government investigations, administrative and monetary sanctions as well as reputational damage which may have a material adverse effect on our operations, financial condition and prospects. There is a risk that we could be impacted by a cybersecurity incident that results in loss or unauthorized disclosure of personal data, potentially resulting in us facing harms similar to those described above.

Additionally, other countries outside of Europe have enacted or are considering enacting similar cross-border data transfer restrictions and laws requiring local data residency, with strict requirements and limitations for processing personal information, which could increase the cost and complexity of delivering our services and operating our business. For example, Brazil enacted the General Data Protection Law, New Zealand enacted the New Zealand Privacy Act, China released its Personal Information Protection Law, which went into effect November 1, 2021, and Canada introduced the Digital Charter Implementation Act. As with the EU GDPR, these laws are broad and may increase our compliance burdens, including by mandating potentially burdensome documentation requirements and granting certain rights to individuals to control how we collect, use, disclose, retain, and process personal information about them.

We publish privacy policies and other documentation regarding our collection, processing, use and disclosure of personal information and/or other confidential information. Although we endeavor to comply with our published policies and other documentation, we may at times fail to do so or may be perceived to have failed to do so. Moreover, despite our efforts, we may not be successful in achieving compliance if our employees, collaborators, contractors, service providers or vendors fail to act in accordance with our published policies and documentation. Such failures can subject us to potential foreign, local, state and federal action if they are found to be deceptive, unfair, or misrepresentative of our actual practices. Moreover, trial participants or research subjects about whom we or our partners obtain information, as well as the providers who share this information with us, may contractually limit our ability to use and disclose the information or exercise their right to do so under applicable privacy legislation. Claims that we have violated individuals' privacy rights or failed to comply with data protection laws or applicable privacy policies and documentation, even if we are not found liable, could be expensive and time-consuming to defend and could result in adverse publicity that could harm our business.

In addition to data privacy requirements, cybersecurity requirements are laid down in various laws in the EU and the UK, the key ones being: (i) the GDPR (as discussed above), which requires controllers and processors to implement appropriate technical and organizational measures to safeguard personal data to a level of security appropriate to the data protection risk; (ii) the UK Network and Information Systems Regulation 2018 (NIS Regulations), and (iii) the EU Network and Information Systems Security 2 Directive (NISD2).

The GDPR does not provide for a specific set of cybersecurity requirements or measures to be implemented, but rather requires a controller or processor to implement appropriate cyber and data security measures in accordance with the then-current risk, the state of the art, the costs of implementation and the nature, scope, context and purposes of the processing. The GDPR however does explicitly require that controllers notify personal data breaches, within the meaning of the GDPR as described above.

In the UK, the NIS Regulations apply to 'operators of essential services' (OES) and 'relevant digital service providers' (RDSP) and following the UK General Election in July 2024, the new UK Government has announced it intends to introduce a Cyber Security and Resilience Bill to the UK Parliament. The NIS Regulations require that appropriate and proportionate technical and organizational measures are implemented to manage the risk of network and information systems, and impose requirements related to incident handling and notification in relation to incidents with significant disruptive effect. Under the NIS Regulations, the ICO may issue fines of up to £17 million and take other action following non-compliance.

In the EU, the NISD2 (and the implementing laws at a national EU Member State level) impose stringent cybersecurity and incident reporting requirements on 'essential' and 'important' entities, which include ICT managed service providers (MSP), cloud service providers as well as entities carrying out research and development activities of medicinal products, and certain specific medical device manufacturers. Our entities may be in scope of the NISD2 where they qualify as a MSP, cloud provider, R&D entity and/or medical device manufacturer within the meaning of NISD2 and offer those services in the EU.

The NISD2 empowers the EU Member States to define all rules regarding penalties applicable to infringements, provided that they are effective, proportionate, and dissuasive. NISD2 states that any maximum fine which national implementing law provides for should at least be set at €10 million or 2% of total worldwide turnover, whichever is higher, where essential entities are concerned. Other sanctions may include (i) a temporary suspension to provide services in the EU (by suspending relevant authorizations/certifications); (ii) an order to make public certain elements of the infringement and/or inform customers; and (iii) injunctions to immediately cease infringing conduct. Importantly, NISD2 also provides that senior members of staff can be held personally liable, and face administrative fines or be temporarily suspended from exercising managerial functions at the legal representative or chief executive officer level. The NISD2 has not to date been transposed by all EU Member States despite the deadline for doing so having passed.

In addition, the EU Critical Entities Resilience Directive (CER) is aimed at strengthening the resilience of 'critical infrastructure' against specific threats including cyber incidents, natural hazards, terrorist attacks, insider threats, and sabotage. The scope of CER includes entities designated as 'critical' under CER and includes (among other things) the health sector and the manufacturers of medical devices as 'essential services.' The CER imposes cybersecurity and resilience requirements in particular in relation to incidents with so-called 'significant disruptive effects' – which are incidents that are able to significantly impact the continuation of the critical infrastructure service offering in the EU. Requirements include to: (i) identify relevant risks that may significantly disrupt the provision of essential services (i.e., pursuant to a risk assessment); (ii) take appropriate and proportionate technical, security and organizational measures to ensure resilience (i.e., based on the outcome of the risk assessment); and (iii) notify disruptive incidents to the competent authorities within 24 hours after becoming aware of an incident. The CER is enforceable on a national EU Member State level by the competent authorities, and allows EU Member States to set penalties as long as they are effective, proportionate, and dissuasive. Our entities may be in scope of the CER where they qualify as critical entities within the meaning of CER. The CER has not to date been transposed by all EU Member States despite the deadline for doing so having passed.

In the EU, a number of new laws related to digital data and AI have recently entered into force, are expected to enter into force in the foreseeable future, or have been proposed and are being considered. We are still assessing the scope of application, impact, and risk of these recent EU laws on our business, and will continue to assess this moving forward, including for example: (i) the EU's Data Act, which – came into force on January 11, 2024 and which seeks to, among other things regulate the use of, and access to, data generated through connected (or Internet-of-Things) devices and introduces a new means for public sector bodies to access, use and re-use private sector data. EU Member State competent authorities are empowered to enforce the Data Act and determine the appropriate sanction provided penalties are "effective, proportionate and dissuasive"; and (ii) the European Health Data Space Regulation (EHDS), which was formally adopted on January 8, 2025 and is expected to enter into force during 2025 and which seeks to, among other things, provide individuals with more control over their electronic health data (EHD), enable cross-border sharing of EHD between national EU healthcare systems and facilitate the sharing of EHD for secondary research purposes.

The EU has developed a standalone law to govern the offering and use of AI systems in the EU (the "AI Act") which entered into force on August 1, 2024 and will become applicable in a gradual manner between 2025-2027 depending on the requirement. The AI Act imposes regulatory requirements onto AI system providers, importers,

distributors, and deployers, in accordance with the level of risk involved with the AI system ("unacceptable", "high", "limited", and "minimal" risk). Unacceptable-risk AI systems are banned from being offered and used in the EU, and high-risk AI systems (which include AI used as part of medical devices in certain instances) are subject to a set of regulatory requirements under the AI Act including to establish quality and post-marketing monitoring and risk assessment systems, requirements related to the training of AI systems and training data, and requirements related to human oversight. Limited-risk AI systems are subject mainly to transparency requirements only and minimal-risk AI systems are not subject to obligations under the AI Act. General-purpose AI systems are subject to a number of requirements – mostly akin to the requirements that apply to high-risk AI systems under the AI Act.

Non-compliance with the AI Act may be subject to regulatory fines of up to 7% of annual worldwide turnover. In parallel, on October 10, 2024, the EU adopted the EU Product Liability Directive to regulate non-contractual and non-fault based liability for defective products, including digital products and AI, and has introduced a new EU AI Liability Directive to facilitate claims for damages brought by EU users of AI systems.

The UK to date has not adopted dedicated AI legislation, instead looking to rely on a principles-based, sector-specific approach to AI regulation. However, in July 2024 it was announced that new AI regulation would in fact be introduced.

Further, many jurisdictions impose mandatory clinical trial information obligations on sponsors. In the EU, such obligations arise under the Transparency Regulation No 1049/ 2001, EMA Policy 0043, EMA Policy 0070 and the Clinical Trials Regulation No 536/2014 (which the UK has not implemented, as the law entered into force following the UK's exit from the EU), all of which impose on sponsors the obligation to make publicly available certain information stemming from clinical studies. In the EU, the transparency framework provides EU-based parties the right to submit an access to documents request to the EMA for information included in the MAA dossier for approved medicinal products. Only very limited information is exempted from disclosure, i.e., commercially confidential information (which is construed increasingly narrowly) and protected personal data. It is possible for competitors to access and use this data in their own research and development programs anywhere in the world, once this data is in the public domain.

Significant changes or developments in US laws or policies, including changes in US healthcare regulation, may have a material adverse effect on our business.*

There is uncertainty surrounding potential changes to the regulatory environment in the US, particularly as it relates to healthcare regulation and related programs, which may have an adverse effect on our business. For example, the current administration issued an executive order establishing an agency to reform federal government processes and reduce expenditures and has committed to significantly reduce government spending through cuts to federal healthcare programs and reductions in the workforces of key government agencies, such as DHHS, FDA, and CMS. Pressures on and uncertainty surrounding the US federal government's budget, and potential changes in budgetary priorities, could adversely affect the funding for individual programs, including Medicare and other government programs upon which our business depends. Moreover, further efforts by the current administration to limit federal agency budgets or personnel, including through potential reduction in force implemented in response to the recent US federal government shutdown may lead to slower response times, less guidance and longer review periods, inconsistencies in execution of federal policies, potentially affecting our ability to progress development of our product candidates or obtain regulatory approval for our product candidates. The recent US federal government shutdown may prevent the FDA or other regulatory authorities from conducting their regular inspections, reviews or other regulatory activities, and may significantly impact the ability of the FDA to timely review and process our regulatory submissions, which could have a material adverse effect on our business.

Additionally, further changes in legislation and regulations (including those related to taxation, trade and importation), economic and monetary policies, geopolitical matters, among other potential impacts, could adversely impact the global economy and our operating results. The potential impact of new policies that may be implemented as a result of the current administration is currently uncertain.

Enhanced governmental and public scrutiny over, or investigations or litigation involving, pharmaceutical manufacturer donations to patient assistance programs may require us to modify our programs and could negatively impact our business practices, harm our reputation, divert the attention of management and increase our expenses.

To help patients afford our products, we have a manufacturer-sponsored patient assistance program that helps eligible financially needy patients in the US access our therapies. This type of program has become the subject of enforcement scrutiny in recent years. For example, some pharmaceutical manufacturers have been named in lawsuits challenging the legality of their patient assistance programs under a variety of federal and state laws. In addition, certain state and federal enforcement authorities continue to pursue investigations and enter into settlements related to manufacturers' support of patient assistance programs, and members of Congress have also initiated inquiries on topics that include, for example, manufacturer-sponsored patient assistance programs, co-payment assistance programs, and manufacturer contributions to independent charitable patient assistance programs. Moreover, the DHHS, Office of the Inspector General continues to publish advisory opinions and other agency guidance on the topic of patient assistance, which reflects the government's continued scrutiny of manufacturer sponsored or supported patient assistance programs. Numerous organizations, including pharmaceutical manufacturers, have been subject to ongoing litigation, enforcement activities and settlements related to their patient support programs and certain of these organizations have entered into, or have otherwise agreed to, significant civil settlements with applicable enforcement authorities. It is possible that future legislation may be proposed that would establish requirements or restrictions with respect to these programs and/or support that would affect pharmaceutical manufacturers.

Our patient assistance program could become the target of similar inquiries, litigation, enforcement, and/or legislative proposals. If we are deemed not to have complied with laws or regulations in the operation of, or our interactions with, these programs, we could be subject to damages, fines, penalties or other criminal, civil or administrative sanctions or enforcement actions. We cannot ensure that our compliance controls, policies and procedures will be sufficient to protect against acts of our employees, business partners or vendors that may violate the laws or regulations of the jurisdictions in which we operate. A government investigation could negatively impact our business practices, harm our reputation, divert the attention of management and increase our expenses.

If manufacturers obtain approval for generic versions of our products, or of products with which we compete, our business may be harmed.*

Under the Federal Food, Drug and Cosmetic Act (FDCA), the FDA can approve an ANDA for a generic version of a branded drug without the ANDA applicant undertaking the clinical testing necessary to obtain approval to market a new drug. Generally, in place of such clinical studies, an ANDA applicant usually needs only to submit data demonstrating that its product has the same active ingredient(s), strength, dosage form and route of administration and that it is bioequivalent to the branded product. In September 2019, the FDA published product-specific bioequivalence guidance on fostamatinib disodium to let potential ANDA applicants understand the data FDA would expect to see for approval of a generic version of our products.

The FDCA requires that an applicant for approval of a generic form of a branded drug certify either that its generic product does not infringe any of the patents listed by the owner of the branded drug in the FDA's Orange Book or that those patents are not enforceable. This process is known as a paragraph IV challenge. Upon notice of a paragraph IV challenge, a patent owner has 45 days to bring a patent infringement suit in federal district court against the company seeking ANDA approval of a product covered by one of the owner's patents. If this type of suit is commenced, the FDCA provides a 30-month stay on the FDA's approval of the competitor's application. If the litigation is resolved in favor of the ANDA applicant or the challenged patent expires during the 30-month stay period, the stay is lifted, and the FDA may thereafter approve the application based on the standards for approval of ANDAs. Once an ANDA is approved by the FDA, the generic manufacturer may market and sell the generic form of the branded drug in competition with the branded medicine.

The ANDA process can result in generic competition if the patents at issue are not upheld or if the generic competitor is found not to infringe the owner's patents. If this were to occur with respect to our products or products with which it competes, our business would be harmed.

In March 2025, we entered into a settlement agreement with Annora resolving patent litigation related to our product TAVALISSE. The litigation resulted from submission by Annora of an ANDA to the FDA seeking approval to market a generic version of TAVALISSE in the US. For more information, see "Part II, Item 1, Legal Proceedings" of this Quarterly Report on Form 10-Q.

We intend to vigorously enforce and defend our intellectual property related to our products. We cannot be assured that we will prevent the introduction of a generic version of our product for any particular length of time, or at all. If an ANDA from generic manufacturers is approved, and generic versions of our products are introduced, whether following the expiration of our patents, the invalidation of our patents as a result of any litigation, or the determination that the proposed generic product does not infringe on our patents, our sales of our products would be adversely affected. In addition, we cannot predict what additional ANDAs could be filed by potential generic competitors requesting approval to market generic forms of our products, which would require us to incur significant additional expense and result in distraction for our management team, and if approved, result in significant decreases in the revenue derived from sales of our marketed products and thereby materially harm our business and financial condition.

Unforeseen safety issues could emerge with our products that could require us to change the prescribing information to add warnings, limit use of the product, and/or result in litigation. Any of these events could have a negative impact on our business.

Discovery of unforeseen safety problems or increased focus on a known problem could impact our ability to commercialize our products and could result in restrictions on its permissible uses, including withdrawal of the medicine from the market.

If we or others identify additional undesirable side effects caused by our products after approval:

- regulatory authorities may require the addition of labeling statements, specific warnings, contraindications, Dear Healthcare Provider letters, press releases, field alerts, or other communications containing warnings or other safety information about our products to physicians and pharmacies;
- regulatory authorities may withdraw their approval of the product and require us to take our approved drugs off the market or suspend their commercialization until the identified issues have been satisfactorily addressed;
- we may be required to change the way the product is administered, conduct additional clinical trials, change the labeling of the product, or implement a Risk Evaluation and Mitigation Strategy (REMS);
- we may have additional limitations on how we promote our drugs;
- third-party payors may limit coverage or reimbursement for our products;
- sales of our products may decrease significantly;
- we may be subject to litigation or product liability claims; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of our products and could substantially increase our operating costs and expenses, which in turn could delay or prevent us from generating significant revenue from sale of our products. For example, in October 2024, we issued a Dear Healthcare Provider letter related to a new safety signal for GAVRETO. The letter advises healthcare providers to apply certain measures to protect patient safety, including enhanced ongoing monitoring for signs and symptoms of infection as well as guidance for withholding treatment to patients in the presence of active infection. This and other communications containing warnings or other safety information to physicians and pharmacies, or required updates to labeling statements, including specific warnings or contradictions, could limit the commercial success of GAVRETO or any of our other drug products.

Side effects and toxicities associated with our products, as well as the warnings, precautions and requirements listed in the prescribing information for our products, could affect the willingness of physicians to prescribe, and patients to utilize, our products and thus harm commercial sales of our products. For example, for REZLIDHIA, the FDA-approved label contains a boxed warning describing the risk of differentiation syndrome, which can be fatal, in patients receiving the drug. This and other restrictions could limit the commercial success of the product.

If a safety issue emerges post-approval, we may become subject to costly product liability litigation by our customers, their patients or payors. Product liability claims could divert management's attention from our core business, be expensive to defend, and result in sizable damage awards against us that may not be covered by insurance. If we cannot successfully defend ourselves against claims that our products caused injuries, we will incur substantial liabilities. Regardless of merit or eventual outcome, liability claims may result in:

- decreased demand for any product candidates or products that we may develop;
- the inability to commercialize any products that we may develop;
- injury to our reputation and significant negative media attention;
- withdrawal of patients from clinical studies or cancellation of studies;
- significant costs to defend the related litigation;
- substantial monetary awards to patients; and
- loss of revenue.

We currently hold $10.0 million in product liability insurance coverage, which may not be adequate to cover all liabilities that we may incur. Insurance coverage is increasingly expensive. We may not be able to obtain insurance coverage at a reasonable cost or in amounts adequate to satisfy any liability or associated costs that may arise in the future. These events could harm our business and results of operations and cause our stock price to decline.

Our business could be materially and adversely affected by pandemics as a result of their potential impacts on our sales force and commercialization efforts, supply chain, regulatory, clinical development and corporate development activities and other business operations, in addition to the impact of a global economic slowdown.

Pandemics may result in extended travel and other restrictions in order to reduce the spread of diseases. Government measures taken in response to pandemics could have a significant impact, both direct and indirect, on our business and commerce, as significant reductions in business related activities may occur, supply chains may be disrupted, and manufacturing and clinical development activities may be curtailed or suspended.

For example, during the COVID-19 pandemic, we observed reduced patient-doctor interactions and our representatives had fewer visits with healthcare providers, which negatively affected our product sales. Physicians with practices severely impacted by the COVID-19 pandemic, or a pandemic occurring in the future, and who currently prescribe our products, may eventually decide to close their independent practices and join a larger medical organization with a practice that does not prescribe our products. Additionally, a pandemic, including COVID-19 or any resurgence thereof, may impact commercial-related activities, such as our marketing programs, speaker bureaus, and market access initiatives which may be required to be conducted virtually, delayed or cancelled, all of which occurred as a result of the COVID-19 pandemic. During the COVID-19 pandemic, we had to deploy resources to enable our field-based employees to continue to engage with healthcare providers in hybrid virtual and in-person interactions, which may be required in the event a pandemic occurs in the future.

With respect to clinical development, in response to the COVID-19 pandemic, we took measures to implement remote and virtual approaches, including remote patient monitoring where possible and working with our investigators for appropriate care of these patients in a safe manner. Due to the effects of COVID-19 pandemic, we experienced a

number of our clinical trial investigators either paused, postponed or delayed new patient enrollment and restricted site visits of existing patients enrolled. In the event that a global pandemic, or a resurgence of the COVID-19 pandemic, occurs in the future, we may need to make decisions on a country-by-country basis to minimize risk to the patients and clinical trial sites. We may also rely heavily on our clinical trial investigators to inform us of the best course of action with respect to resuming enrollment/screening, considering the ability of sites to ensure patient safety or data integrity. We experienced slower than anticipated enrollment in some of our clinical trials due to adverse effects of COVID-19 pandemic, and in the future, we may experience adverse impacts of a global pandemic on our clinical trials, including the timing thereof, or our ability to continue to treat patients enrolled in our trials, enroll and assess new patients, supply study drugs and obtain complete data points in accordance with study protocol.

Pandemics may cause significant disruption in the supply chain for our commercial products. We rely on third parties to, among other things, manufacture and ship our commercial product, raw materials and product supply for our clinical trials, perform quality testing and supply other goods and services to help manage our commercial activities, our clinical trials and our operations in the ordinary course of business. While we have engaged actively with various elements of our supply chain and distribution channel, including our customers, contract manufacturers, and logistics and transportation provider to meet demand for our products and to remain informed of any challenges within our supply chain, we may face disruptions to our supply chain and operations, and associated delays in the manufacturing and supply of our products. Such supply disruptions would adversely impact our ability to generate sales of and revenues from our products and our business, financial condition, results of operations and growth prospects could be adversely affected.

Pandemics may affect our collaboration and licensing partners for the commercialization of our products globally, as well as our ability to advance our various clinical stage programs. We cannot predict the impact of such disruptions on our partners' ability to advance commercialization of our products in the market and the timing of enrollment and completion of various clinical trials being conducted by our collaboration partners.

Health regulatory agencies globally may experience prolonged disruptions in their operations as a result of pandemics. For example, in response to the COVID-19 pandemic, the FDA delayed inspections and evaluations of certain drug manufacturing facilities and clinical research sites We cannot predict whether, and when, health regulatory agencies will decide to pause or resume inspections due to pandemics. Any de-prioritization of our clinical trials or delay in regulatory review resulting from such disruptions could materially affect the completion of our clinical trials.

In addition, as seen in the COVID-19 pandemic, pandemics could result in a significant disruption of global financial markets. We could experience an inability to access additional capital or an impact on liquidity, which could in the future negatively affect our capacity for certain corporate development transactions or our ability to make other important, opportunistic investments, or we may not be able to meet the requirements under our Credit and Security Agreement (Credit Agreement) with MidCap Financial Trust (MidCap). While we expect pandemics to adversely affect our business, financial condition, results of operations and growth prospects in the future periods, the extent of the impact on our ability to generate sales of and revenues from our approved products, our ability to continue to secure new collaborations and support existing collaboration efforts with our partners, our clinical development and regulatory efforts, our corporate development objectives and the value of and market for our common stock, will depend on future circumstances that are highly uncertain and cannot be predicted with confidence at this time, such as the ultimate duration and severity of pandemics, travel restrictions, quarantines, social distancing and business closure requirements in the US and other countries, and the effectiveness of actions taken globally to contain and treat diseases. To the extent pandemics adversely affect our business and results of operations, it may also have the effect of heightening many of the other risks and uncertainties described elsewhere in this "Risk Factors" section.

If we fail to comply with our reporting and payment obligations under the Medicaid Drug Rebate Program or other governmental pricing programs in the US, we could be subject to additional rebate or discount requirements, fines, sanctions and exposure under other laws which could have an adverse effect on our business, results of operations and financial condition.*

We participate in the Medicaid Drug Rebate Program, as administered by CMS, the 340B Drug Pricing Program, as administered by the Health Resources and Services Administration (HRSA), and other federal and state government drug pricing programs in the US, and we may participate in additional government pricing programs in the

future. These programs generally require us to pay rebates or otherwise provide discounts to government payors and/or required covered entities in connection with drugs that are dispensed to beneficiaries/recipients of these programs. In some cases, such as with the Medicaid Drug Rebate Program, the rebates are based on pricing metrics that we report on a monthly and quarterly basis to the government agencies that administer the programs. Pricing requirements and rebate/discount calculations are complex, vary among products and programs, and are often subject to interpretation by governmental or regulatory agencies and the courts. The requirements of these programs, including, by way of example, their respective terms and scope, change frequently. For example, in September 2024, CMS published a final rule that included significant revisions to certain Medicaid Drug Rebate Program provisions, including, but not limited to: (i) new definitions for key terms under the Medicaid Drug Rebate Program, such as "covered outpatient drug" and "market date"; (ii) revised processes for identifying drug misclassifications, as well as additional penalties that can be imposed against manufacturers in connection with such misclassifications; and (iii) a new 12-quarter time limit for manufacturers to initiate disputes, hearing requests, and audits for state-invoiced rebate amounts. Responding to current and future changes may increase our costs, and ensuring compliance will be time consuming. Invoicing for rebates is provided in arrears, and there is frequently a time lag of up to several months between the sales to which rebate notices relate and our receipt of those notices, which further complicates our ability to accurately estimate and accrue for rebates related to the Medicaid program as implemented by individual states. Thus, there can be no assurance that we will be able to identify all factors that may cause our discount and rebate payment obligations to vary from period to period, and our actual results may differ significantly from our estimated allowances for discounts and rebates. Changes in estimates and assumptions may have an adverse effect on our business, results of operations and financial condition.

In addition, the DHHS, Office of Inspector General and other governmental enforcement and administrative bodies have increased their focus, including through recent enforcement actions against manufacturers, on pricing requirements for products, including, but not limited to the methodologies used by manufacturers to calculate average manufacturer price and best price for compliance with reporting requirements under the Medicaid Drug Rebate Program. We are liable for errors associated with our submission of pricing data and for any overcharging of government payors. Failure to make necessary disclosures and/or to identify overpayments could result in allegations against us under the federal False Claims Act and other laws and regulations. Any required refunds to the US government or response to a government investigation or enforcement action would be expensive and time consuming and could have an adverse effect on our business, results of operations and financial condition. In addition, in the event that CMS were to terminate our rebate agreement, no federal payments would be available under Medicaid for our covered outpatient drugs or under Medicare Part B for any of our products that may be reimbursed under Part B.

Finally, we may be affected by developments relating to the 340B Drug Pricing Program (340B Program). For example, since 2021, multiple manufacturers have implemented policies to reduce diversion and inappropriate claims for discounts by placing restrictions on 340B pricing for drugs dispensed through contract pharmacies. The DHHS sent several of these manufacturers' letters claiming that the policies violate the 340B statute and referring the manufacturers for potential enforcement action. Manufacturers challenged these letters in federal court, and the US Court of Appeals for the Third Circuit and the District of Columbia Circuit have ruled in favor of several manufacturers, finding that the policies were consistent with the 340B statute. Multiple states have recently enacted laws that require manufacturers to ship 340B drugs to certain contract pharmacies and impose various civil and criminal penalties on manufacturers that do not comply. These laws have been challenged in federal court and many of the cases are pending. In March 2024, the US Court of Appeals for the Eight Circuit upheld the Arkansas law prohibiting drug makers for restricting 340B drug discounts for providers using contract pharmacies. DHHS also issued a final rule on procedures for the 340B Program's administrative dispute resolution process in April 2024. Additionally, under the Trump administration, several changes to the 340B program have been considered, including a proposal in the President's 2026 budget to shift oversight of the 340B program from the HRSA to CMS. Additionally, on July 31, 2025, the HRSA announced that it will implement a 340B Rebate Model Pilot Program that will be open to a selected group of drugs and manufacturers. The 340B Rebate Model Pilot Program is intended to become effective January 1, 2026. It is unclear how the other pending litigation, proposed legislation, or future administrative action relating to the 340B Program will impact our business.

Even for those product candidates that have or may receive regulatory approval, they may fail to achieve the degree of market acceptance by physicians, patients, third-party payors and others in the medical community necessary for commercial success, in which case we may not generate significant revenues or become profitable.

For our product candidates that have or may receive regulatory approval, they may nonetheless fail to gain sufficient market acceptance by physicians, hospital administrators, patients, third-party payors and others in the medical community. The degree of market acceptance of our product candidates, if approved for commercial sale, will depend on a number of factors, including the following:

- relative convenience and ease of administration;
- the willingness of the target patient population to try new therapies and of physicians to prescribe these therapies;
- the willingness of physicians to change their current treatment practices;
- any additional support that may be required to administer the treatment to patients;
- the willingness of hospitals and hospital systems to include our product candidates as treatment options;
- demonstration of efficacy and safety in clinical trials;
- the prevalence and severity of any side effects;
- the ability to offer product candidates for sale at competitive prices;
- the price we charge for our product candidates;
- the strength of marketing and distribution support; and
- the availability of third-party coverage and adequate reimbursement and the willingness of patients to pay out-of-pocket in the absence of such coverage and adequate reimbursement.

Efforts to educate the physicians, patients, third-party payors and others in the medical community on the benefits of our product candidates may require significant resources and may not be successful. If any of our product candidates are approved, but do not achieve an adequate level of acceptance, we may not generate significant product revenue and we may not become profitable on a sustained basis.

We may need to seek additional capital in the future to sufficiently fund our operations, research and corporate development opportunities.*

We have consumed substantial amounts of capital to date as we continue our research and development activities, including preclinical studies and clinical trials and for the commercialization of our products, as well as corporate development opportunities. We may seek another collaborator or licensee in the future for further clinical development and commercialization of our products, as well as our other clinical programs, which we may not be able to obtain on commercially reasonable terms or at all. We believe that our existing capital resources will be sufficient to support our current and projected funding requirements, including the continued commercialization of our products through at least the next 12 months. We have based this estimate on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we currently expect. Because of the numerous risks and uncertainties associated with commercial launch, the development of our product candidates and other research and development activities, we are unable to estimate with certainty our future product revenues, our revenues from our current and future collaborative partners, the amounts of increased capital outlays and operating expenditures associated with our current and anticipated clinical trials and other research and development activities.

While we intend to opportunistically seek access to additional funds through public or private equity offerings or debt financings, we do not know whether additional financing will be available when needed, or that, if available, we will obtain financing on reasonable terms. Our ability to raise additional capital, including our ability to secure new collaborations and continue to support existing collaboration efforts with our partners, may also be adversely impacted by potential worsening global economic conditions and the recent disruptions to, and volatility in, the credit and financial markets in the US and worldwide resulting from a global pandemic and the global tensions arising from the Russia-Ukraine war and the Hamas-Israel war. Unless and until we are able to generate a sufficient amount of product, royalty or milestone revenue, which may never occur, we expect to finance future cash needs through public and/or private offerings of equity securities, debt financings or collaboration and licensing arrangements, as well as through proceeds from the exercise of stock options and interest income earned on the investment of our cash balances and short-term investments. To the extent we raise additional capital by issuing equity securities in the future, our stockholders could at that time experience substantial dilution. In addition, we have a significant number of stock options outstanding. To the extent that outstanding stock options have been or may be exercised or other shares issued, our stockholders may experience further dilution. Further, we may choose to raise additional capital due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. Our credit facility with MidCap includes certain covenants that may restrict our business, and any other debt financing that we are able to obtain in the future may involve operating covenants that restrict our business. To the extent that we raise additional funds through any new collaboration and licensing arrangements, we may be required to refund certain payments made to us, relinquish some rights to our technologies or product candidates or grant licenses on terms that are not favorable to us.

We have indebtedness in the form of a term loan pursuant to the Credit Agreement with MidCap, which could adversely affect our financial condition and our ability to respond to changes in our business. Further, if we are unable to satisfy certain conditions of the Credit Agreement, we will be unable to draw down the remainder of the facility.

We entered into a Credit Agreement with MidCap on September 27, 2019, amended on March 29, 2021, February 11, 2022, July 27, 2022, and April 11, 2024. The Credit Agreement provides for a $60.0 million term loan credit facility. As of September 30, 2025, the outstanding principal balance of the loan was $60.0 million, and no remaining funds were available under the term loan credit facility. Under the Credit Agreement, we are required to repay amounts due when there is an event of default for the term loans that results in the principal, premium, if any, and interest, if any, becoming due prior to the maturity date for the term loans. The Credit Agreement also contains a number of other affirmative and restrictive covenants. See “Note 10 – Debt” to our “Notes to Condensed Financial Statements” contained in Part I, Item 1, of this Quarterly Report on Form 10-Q for additional details of the Credit Agreement. These and other terms in the Credit Agreement have to be monitored closely for compliance and could restrict our ability to grow our business or enter into transactions that we believe would be beneficial to our business. Our business may not generate cash flow from operations in the future sufficient to service our debt and support our growth strategies. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as restructuring our debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our current debt obligations. In addition, we cannot be sure that additional financing will be available when required or, if available, will be on terms satisfactory to us. Further, even if we are able to obtain additional financing, we may be required to use such proceeds to repay a portion of our debt.

Our indebtedness may have other adverse effects, such as:

- our vulnerability to adverse general economic conditions and heightened competitive pressures;
- dedication of a portion of our cash flow from operations to interest payments, limiting the availability of cash for other operational purposes;
- limited flexibility in planning for, or reacting to, changes in our business and industry; and
- our inability to obtain additional financing in the future.

Our Credit Agreement with MidCap contains a mandatory prepayment provision that gives MidCap and/or its agent the right to demand payment of the outstanding principal and additional interest and fees in the event of default. We may not have enough available cash or be able to obtain financing at the time we are required to repay the term loan with additional interest and fees prior to maturity.

We rely and may continue to rely on two distribution facilities for the sale of our products and potential sale of any of our product candidates.

Our distribution operations for the sale of our products are currently concentrated in two distribution centers owned by a third-party logistics provider. Additionally, our distribution operations, if and when we launch any of our product candidates in the future, may also be concentrated in such distribution centers owned by a third-party logistics provider. Any errors in inventory level management and unforeseen inventory shortage could adversely affect our business. In addition, any significant disruption in the operation of the facility due to natural disaster or severe weather, or events such as fire, accidents, power outages, system failures, or other unforeseen causes, could devalue or damage a significant portion of our inventories and could adversely affect our product distribution and sales until such time as we could secure an alternative facility. Further, climate change may increase both the frequency and severity of extreme weather conditions and natural disasters, which may affect our business operations. If we encounter difficulties with any of our distribution facilities, whether due to the potential future impacts of a global pandemic (including as a result of disruptions of global shipping and the transport of products) or otherwise, or other problems or disasters arise, we cannot ensure that critical systems and operations will be restored in a timely manner or at all, and this would have an adverse effect on our business. In addition, growth could require us to further expand our current facility, which could affect us adversely in ways that we cannot predict.

Forecasting potential sales for any of our product candidates will be difficult, and if our projections are inaccurate, our business may be harmed, and our stock price may be adversely affected.

Our business planning requires us to forecast or make assumptions regarding product demand and revenues for any of our product candidates if they are approved despite numerous uncertainties. These uncertainties may be increased if we rely on our collaborators or other third parties to conduct commercial activities in certain geographies and provide us with accurate and timely information. Actual results may differ materially from projected results for various reasons, including the following, as well as risks identified in other risk factors:

- the efficacy and safety of any of our product candidates, including as relative to marketed products and product candidates in development by third parties;
- pricing (including discounting or other promotions), reimbursement, product returns or recalls, competition, labeling, adverse events and other items that impact commercialization;
- the rate of adoption in the particular market, including fluctuations in demand for various reasons;
- potential future impacts, if any, including a global pandemic;
- lack of patient and physician familiarity with the drug;
- lack of patient use and physician prescribing history;
- lack of commercialization experience with the drug;
- actual sales to patients may significantly differ from expectations based on sales to wholesalers; and
- uncertainty relating to when the drug may become commercially available to patients and rate of adoption in other territories.

We expect that our revenues from sales of any of our products will continue to be based in part on estimates,

judgment and accounting policies. Any incorrect estimates or disagreements with regulators or others regarding such estimates or accounting policies may result in changes to our guidance, projections or previously reported results. We make estimates for provisions for sales discounts, returns and allowances. Our estimates are based on available customer and payor data received from the specialty pharmacies and distributors, as well as third party market research data. In part, our estimates are dependent on our distribution channel and payor mix. If actual results in the future vary from our estimates, we adjust these estimates, which would affect our net product revenue and earnings in the period such variances become known. Expected and actual product sales and quarterly and other results may greatly fluctuate, including in the near-term, and such fluctuations can adversely affect the price of our common stock, perceptions of our ability to forecast demand and revenues, and our ability to maintain and fund our operations.

We do not and will not have access to all information regarding our products and product candidates we licensed to our collaboration partners.

We do not and will not have access to all information regarding our products and other product candidates, including potentially material information about commercialization plans, medical information strategies, clinical trial design and execution, safety reports from clinical trials, safety reports, regulatory affairs, process development, manufacturing and other areas known by our collaboration partners. In addition, we have confidentiality obligations under our respective agreements with our collaboration partners. Thus, our ability to keep our shareholders informed about the status of our products and other product candidates will be limited by the degree to which our collaboration partners keep us informed and allows us to disclose such information to the public. If our collaboration partners fail to keep us informed about commercialization efforts related to our products, or the status of the clinical development or regulatory approval pathway of other product candidates licensed to them, we may make operational and/or investment decisions that we would not have made had we been fully informed, which may adversely affect our business and operations.

Our future funding requirements will depend on many uncertain factors.

Our future funding requirements will depend upon many factors, many of which are beyond our control, including, but not limited to:

- the costs to commercialize our products in the US, or any other future product candidates, if any such candidate receives regulatory approval for commercial sale;
- the progress and success of our clinical trials and preclinical activities (including studies and manufacture of materials) of our product candidates conducted by us;
- our ability to secure patent and regulatory protection;
- our ability to secure a favorable price or a positive HTA assessment;
- potential future impacts, if any, of a global pandemic;
- the costs and timing of regulatory filings and approvals by us and our collaborators;
- the progress of research and development programs carried out by us and our collaborative partners;
- any changes in the breadth of our research and development programs;
- the ability to achieve the events identified in our collaborative agreements that may trigger payments to us from our collaboration partners;
- our ability to acquire or license other technologies or compounds that we may seek to pursue;
- our ability to manage our growth;

- competing technological and market developments;
- the costs and timing of obtaining, enforcing and defending our patent and other intellectual property rights; and
- expenses associated with any unforeseen litigation, including any arbitration and securities class action lawsuits.

Insufficient funds may require us to delay, scale back or eliminate some or all of our commercial efforts and/or research and development programs, to reduce personnel and operating expenses, to lose rights under existing licenses or to relinquish greater or all rights to product candidates at an earlier stage of development or on less favorable terms than we would otherwise choose or may adversely affect our ability to operate as a going concern.

Our success as a company is uncertain due to our history of operating losses and the uncertainty of any future profitability.*

For the nine months ended September 30, 2025 and for the year ended December 31, 2024, we recognized income from operations primarily due to higher net product sales and collaboration revenues, partially offset by our operating expenses. Historically, we have incurred losses from operations each year since we were incorporated in June 1996 other than in fiscal year 2010, due in large part to the significant research and development expenditures and costs of our ongoing commercial efforts. Although we recognized income from operations in 2024 and in the current period, there can be no assurance that we will generate annual operating income in the foreseeable future. Currently, our potential sources of revenues include sales of our products, as well as upfront, milestones and royalty payments pursuant to our collaboration arrangements, all of which may never materialize if sales of our products decline or if our collaboration partners do not achieve certain events or generate net sales to which these contingent payments are dependent on. If our future drug candidates fail or do not gain regulatory approval, or if our drugs do not achieve sustainable market acceptance, we may not be profitable. As of September 30, 2025, we had an accumulated deficit of approximately $1.3 billion. The extent of our future losses or profitability, if any, is highly uncertain.

If our corporate collaborations or license agreements are unsuccessful, or if we fail to form new corporate collaborations or license agreements, our research and development efforts could be delayed.

Our strategy depends upon the formation and sustainability of multiple collaborative arrangements and license agreements with third parties now and in the future. We rely on these arrangements for not only financial resources, but also for expertise we need now and in the future relating to clinical trials, manufacturing, sales and marketing, and for licenses to technology rights. To date, we have entered into several such arrangements with corporate collaborators; however, we do not know if these collaborations or additional collaborations with third parties, if any, will dedicate sufficient resources or if any development or commercialization efforts by third parties will be successful. In addition, our corporate collaborators may delay clinical trials, provide insufficient funding for a clinical trial program, stop a clinical trial or abandon a drug candidate or development program. Should a collaborative partner fail to develop or commercialize a compound or product to which it has rights from us for any reason, including corporate restructuring, such failure might delay our ongoing research and development efforts, because we might not receive any future payments, and we would not receive any royalties associated with such compound or product. We may seek another collaborator or licensee in the future for clinical development and commercialization of our products, as well as our other clinical programs, which we may not be able to obtain on commercially reasonable terms or at all. If we are unable to form new collaborations or enter into new license agreements, our research and development efforts could be delayed. In addition, the continuation of some of our partnered drug discovery and development programs may be dependent on the periodic renewal of our corporate collaborations.

Each of our collaborations could be terminated by the other party at any time, and we may not be able to renew these collaborations on acceptable terms, if at all, or negotiate additional corporate collaborations on acceptable terms, if at all. If these collaborations terminate or are not renewed, any resultant loss of revenues from these collaborations or loss of the resources and expertise of our collaborative partners could adversely affect our business. For example, on October 1, 2025, we received a notice from Lilly of its intent to terminate the CNS disease program under the Lilly Agreement, which will become effective sixty (60) days following notification. Following the termination of the CNS

disease program, we do not believe we will be entitled to receive any future milestone and royalty payments associated with this program.

Conflicts also might arise with collaborative partners concerning proprietary rights to particular compounds. While our existing collaborative agreements typically provide that we retain milestone payments, royalty rights and/or revenue sharing with respect to drugs developed from certain compounds or derivative compounds, any such payments or royalty rights may be at reduced rates, and disputes may arise over the application of payment provisions or derivative payment provisions to such drugs, and we may not be successful in such disputes. For example, in September 2018, BerGenBio served us with a notice of arbitration seeking declaratory relief related to the interpretation of provisions under our June 2011 license agreement, particularly as they relate to the rights and obligations of the parties in the event of the license or sale of a product in the program by BerGenBio and/or the sale of BerGenBio to a third party. The arbitration panel dismissed four of the six declarations sought by BerGenBio, and we thereafter consented to one of the remaining declarations requested by BerGenBio. On February 27, 2019, the arbitration panel issued a determination granting the declaration sought by BerGenBio on the remaining issue, and held that in the event of a sale of shares by BerGenBio's shareholders where there is no monetary benefit to BerGenBio, we would not be entitled to a portion of the proceeds from such a sale. In this circumstance where the revenue share provision is not triggered, the milestone and royalty payment provisions remain in effect. While we do not believe that the determination will have an adverse effect on our operations, cash flows or financial condition, we can make no assurance regarding any such impact. Additionally, the management teams of our collaborators may change for various reasons including due to being acquired. Different management teams or an acquiring company of our collaborators may have different priorities which may have adverse results on the collaboration with us.

We are also a party to various license agreements that give us rights to use specified technologies in our research and development processes. The agreements pursuant to which we have in-licensed technology permit our licensors to terminate the agreements under certain circumstances. If we are not able to continue to license these and future technologies on commercially reasonable terms, our product development and research may be delayed or otherwise adversely affected.

If conflicts arise between our collaborators or advisors and us, any of them may act in their self-interest, which may be adverse to our stockholders' interests.

If conflicts arise between us and our corporate collaborators or scientific advisors, the other party may act in its self-interest and not in the interest of our stockholders. Some of our corporate collaborators are conducting multiple product development efforts within each disease area that is the subject of the collaboration with us or may be acquired or merged with a company having a competing program. In some of our collaborations, we have agreed not to conduct, independently or with any third party, any research that is competitive with the research conducted under our collaborations. Our collaborators, however, may develop, either alone or with others, products in related fields that are competitive with the products or potential products that are the subject of these collaborations. Competing products, either developed by our collaborators or to which our collaborators have rights, may result in their withdrawal of support for our product candidates.

If any of our corporate collaborators were to breach or terminate its agreement with us or otherwise fail to conduct the collaborative activities successfully and in a timely manner, the preclinical or clinical development or commercialization of the affected product candidates or research programs could be delayed or terminated. We generally do not control the amount and timing of resources that our corporate collaborators devote to our programs or potential products. We do not know whether current or future collaborative partners, if any, might pursue alternative technologies or develop alternative products either on their own or in collaboration with others, including our competitors, as a means for developing treatments for the diseases targeted by collaborative arrangements with us.

Our success is dependent on intellectual property rights held by us and third parties, and our interest in such rights is complex and uncertain.*

Our success will depend to a large part on our own, our licensees' and our licensors' ability to obtain and defend patents for each party's respective technologies and the compounds and other products, if any, resulting from the application of such technologies. For example, fostamatinib is covered as a composition of matter in a US issued patent that has an expiration date of September 2031, olutasidenib is covered as a composition of matter in a US issued patent that has an expected expiration date of December 2036, after taking into account patent term extension rules, and pralsetinib is covered as a composition of matter in a US issued patent that has an expiration date in November 2036 and subject to extensions.

In the future, our patent position might be highly uncertain and involve complex legal and factual questions, and the cost to defend may also be significant. For example, we may be involved in post-grant proceedings before the US Patent and Trademark Office. Post-grant proceedings are complex and expensive legal proceedings and there is no assurance we will be successful in any such proceedings. A post-grant proceeding could result in our losing our patent rights and/or our freedom to operate and/or require us to pay significant royalties. Additionally, third parties may challenge the validity, enforceability or scope of our issued patents, which may result in such patents being narrowed, invalidated or held unenforceable through interference, opposition or invalidity proceedings before the US Patent and Trademark Office or non-US patent offices. Any successful opposition to our patents could deprive us of exclusive rights necessary for the successful commercialization of our products or our other product candidates. Oppositions could also be filed to complementary patents, such as formulations, methods of manufacture and methods of use, that are intended to extend the patent life of the overall portfolio beyond the patent life covering the composition of matter. A successful opposition to any such complementary patent could impact our ability to extend the life of the overall portfolio beyond that of the related composition of matter patent.

An adverse outcome may allow third parties to use our intellectual property without a license and/or allow third parties to introduce generic and other competing products, any of which would negatively impact our business. For example, in March 2025, we entered into a settlement agreement with Annora resolving patent litigation related to our product TAVALISSE. For more information, see "Part II, Item 1, Legal Proceedings" of this Quarterly Report on Form 10-Q.

We intend to vigorously enforce and defend our intellectual property rights related to our products. Should any third parties receive FDA approval of an ANDA for a generic version of our products or a 505(b)(2) NDA with respect to our products, and if our patents covering our products were held to be invalid (or if such competing generic versions of our products were found to not infringe our patents), then they could introduce generic versions of our products or other such 505(b)(2) products before our patents expire, and the resulting competition would negatively affect our business, financial condition and results of operations. Please also see the risk factor entitled, "*If manufacturers obtain approval for generic versions of our products, or of products with which we compete, our business may be harmed.*" In the future, there might be other claims that are subject to substantial uncertainties and unascertainable damages or other remedies, and the cost to defend may also be significant.

Additional uncertainty may result because no consistent policy regarding the breadth of legal claims allowed in biotechnology patents has emerged to date. Accordingly, we cannot predict the breadth of claims allowed in our or other companies' patents.

Because the degree of future protection for our proprietary rights is uncertain, we cannot assure that:

- we were the first to make the inventions covered by each of our pending patent applications;
- we were the first to file patent applications for these inventions;
- others will not independently develop similar or alternative technologies or duplicate any of our technologies;
- any of our pending patent applications will result in issued patents;

- any patents issued to us or our collaborators will provide a basis for commercially viable products or will provide us with any competitive advantages or will not be challenged by third parties;
- we will develop additional proprietary technologies that are patentable;
- we will obtain a supplementary protection certificate that will extend the protection afforded by the patent to the product with a marketing authorization; or
- the patents of others will not have a negative effect on our ability to do business.

We rely on trade secrets to protect technology where we believe patent protection is not appropriate or obtainable; however, trade secrets are difficult to protect. While we require employees, collaborators and consultants to enter into confidentiality agreements, we may not be able to adequately protect our trade secrets or other proprietary information in the event of any unauthorized use or disclosure or the lawful development by others of such information.

We are a party to certain in-license agreements that are important to our business, and we generally do not control the prosecution of in-licensed technology. Accordingly, we are unable to exercise the same degree of control over this intellectual property as we exercise over our internally developed technology. Moreover, some of our academic institution licensors, research collaborators and scientific advisors have rights to publish data and information in which we have rights. If we cannot maintain the confidentiality of our technology and other confidential information in connection with our collaborations, our ability to receive patent protection or protect our proprietary information may otherwise be impaired. In addition, some of the technology we have licensed relies on patented inventions developed using US government resources.

The US government retains certain rights, as defined by law, in such patents, and may choose to exercise such rights. Certain of our in-licenses may be terminated if we fail to meet specified obligations. If we fail to meet such obligations and any of our licensors exercise their termination rights, we could lose our rights under those agreements. If we lose any of our rights, it may adversely affect the way we conduct our business. In addition, because certain of our licenses are sublicenses, the actions of our licensors may affect our rights under those licenses.

If a dispute arises regarding the infringement or misappropriation of the proprietary rights of others, such dispute could be costly and result in delays in our research and development activities, partnering and commercialization activities.

Our success will depend, in part, on our ability to operate without infringing or misappropriating the proprietary rights of others. There are many issued patents and patent applications filed by third parties relating to products or processes that are similar or identical to our licensors or ours, and others may be filed in the future. There may also be copyrights or trademarks that third parties hold. There can be no assurance that our activities, or those of our licensors, will not violate intellectual property rights of others. We believe that there may be significant litigation in the industry regarding patent and other intellectual property rights, and we do not know if our collaborators or we would be successful in any such litigation. Any legal action against our collaborators or us claiming damages or seeking to enjoin commercial activities relating to the affected products, our methods or processes could:

- require our collaborators or us to obtain a license to continue to use, manufacture or market the affected products, methods or processes, which may not be available on commercially reasonable terms, if at all;
- prevent us from using the subject matter claimed in the patents held by others;
- subject us to potential liability for damages;
- consume a substantial portion of our managerial and financial resources; and
- result in litigation or administrative proceedings that may be costly, whether we win or lose.

Our effective tax rate may fluctuate, and we may incur obligations in tax jurisdictions in excess of accrued amounts.*

We are subject to taxation in numerous US states and territories. As a result, our effective tax rate is derived from a combination of applicable tax rates in the various places that we operate. In preparing our financial statements, we estimate the amount of tax that will become payable in each of such places. Nevertheless, our effective tax rate may be different than experienced in the past due to numerous factors, including passage of the newly enacted federal income tax law, changes in the mix of our profitability from state to state, the results of examinations and audits of our tax filings, our inability to secure or sustain acceptable agreements with tax authorities, changes in accounting for income taxes and changes in tax laws. Any of these factors could cause us to experience an effective tax rate significantly different from previous periods or our current expectations and may result in tax obligations in excess of amounts accrued in our financial statements.

In July 2025, the OBBBA was enacted, which includes a broad array of measures affecting corporations and other business entities, including locking in a key set of business tax provisions. These include incentives designed to promote innovation-driven investment, such as a permanent and immediate deduction for domestic research and development costs. The legislation also locks in 100% expensing for qualified equipment purchases and makes permanent the deduction of up to 20% for qualified business income. While we continue to evaluate the impact of these legislative changes as additional guidance becomes available, uncertainty remains regarding the timing and interpretation by tax authorities in affected jurisdictions. These legislative changes could have an adverse impact on our future effective tax rate, tax liabilities, and cash tax.

Our ability to use net operating losses (NOLs) and certain other tax attributes is uncertain and may be limited.*

Our ability to use our federal and state NOLs to offset potential future taxable income and related income taxes that would otherwise be due is dependent upon our generation of future taxable income before the expiration dates of the NOLs, and we cannot predict with certainty when, or whether, we will generate sufficient taxable income to use all of our NOLs. Federal NOLs generated prior to 2018 will continue to be governed by the NOL carryforward rules as they existed prior to the adoption of the Tax Cuts and Jobs Act (TCJA), which means that generally they will expire 20 years after they were generated if not used prior thereto. Many states have similar laws. Accordingly, our federal and state NOLs could expire unused and be unavailable to offset future income tax liabilities. Moreover, federal NOLs generated in tax years ending after December 31, 2017 may be carried forward indefinitely, but the deductibility of such federal NOLs may be limited to 80% of current year taxable income for tax years beginning after January 1, 2021. In June 2024, California Senate Bill 167 was signed into law which suspends NOL deductions for tax years beginning on or after January 1, 2024 and before January 1, 2027 for taxpayers with net business income or modified adjusted gross income of at least $1.0 million for the tax year. The legislation also limits the aggregate use of otherwise allowable business credits to $5.0 million for each tax year beginning on or after January 1, 2024 but before January 1, 2027 (except for certain credits not subject to the limitation). Although the TCJA required taxpayers to capitalize Research and Experimental (R&E) expenditures under Section 174 of the Internal Revenue Code, as amended (Code) for tax years beginning after December 31, 2022, the OBBBA restored and made permanent the ability for taxpayers to make immediate deductions for R&E expenditures generated in tax years beginning after December 31, 2024.

In addition, utilization of NOLs to offset potential future taxable income and related income taxes that would otherwise be due is subject to annual limitations under the "ownership change" provisions of Sections 382 and 383 of the Code and similar state provisions, which may result in the expiration of NOLs before future utilization. In general, under the Code, if a corporation undergoes an "ownership change," generally defined as a greater than 50% change (by value) in its equity ownership over a three-year period, the corporation's ability to use its pre-change NOLs and other pre-change tax attributes (such as research and development credit carryforwards) to offset its post-change taxable income or taxes may be limited. Our equity offerings and other changes in our stock ownership, some of which are outside of our control, may have resulted or could in the future result in an ownership change. Although we have completed studies to provide reasonable assurance that an ownership change limitation would not apply, we cannot be certain that a taxing authority would reach the same conclusion. If, after a review or audit, an ownership change limitation were to apply, utilization of our domestic NOLs and tax credit carryforwards could be limited in future periods and a portion of the carryforwards could expire before being available to reduce future income tax liabilities. Moreover, our ability to utilize our NOLs is conditioned upon us achieving profitability and generating US federal taxable income.

Changes in valuation allowance of deferred tax assets may affect our future operating results

We continue to record a full valuation allowance on our deferred tax assets. In assessing the need for a valuation allowance, we consider historical levels of income, expectations and risks associated with estimates of future taxable income. We periodically evaluate our deferred tax asset balance for realizability. To the extent we believe it is more-likely-than-not that our deferred tax assets will not be realized, we will continue to maintain the valuation allowance against the deferred tax assets. Realization of our deferred tax assets is dependent primarily upon future taxable income. If our assumptions and consequently our estimates change in the future, the valuation allowances may be increased or decreased, resulting in a respective increase or decrease in income tax expense.

Because we expect to be dependent upon collaborative and license agreements, we might not meet our strategic objectives.

Our ability to generate revenue in the near term depends on the timing of recognition of certain upfront payments, achievement of certain payment triggering events with our existing collaboration agreements and our ability to enter into additional collaborative agreements with third parties. Our ability to enter into new collaborations and the revenue, if any, that may be recognized under these collaborations is highly uncertain. If we are unable to enter into one or more new collaborations, our business prospects could be harmed, which could have an immediate adverse effect on our ability to continue to develop our compounds and on the trading price of our stock. Our ability to enter into a collaboration may be dependent on many factors, such as the results of our clinical trials, competitive factors and the fit of one of our programs with another company's risk tolerance, including toward regulatory issues, patent portfolio, clinical pipeline, the stage of the available data, particularly if it is early, overall corporate goals and financial position.

To date, a portion of our revenues have been related to the research or transition phase of each of our collaborative agreements. Such revenues are for specified periods, and the impact of such revenues on our results of operations is at least partially offset by corresponding research costs. Following the completion of the research or transition phase of each collaborative agreement, additional revenues may come only from payments triggered by milestones and/or the achievement of other contingent events, and royalties, which may not be paid, if at all, until certain conditions are met. This risk is heightened due to the fact that unsuccessful research efforts may preclude us from receiving any contingent payments under these agreements. Our receipt of revenues from collaborative arrangements is also significantly affected by the timing of efforts expended by us and our collaborators and the timing of lead compound identification. We have received payments from our current collaborations including Lilly, Grifols, Kissei, Medison, Knight, BerGenBio, and Daiichi. Under several agreements, future payments may not be earned until the collaborator has advanced product candidates into clinical testing, which may never occur or may not occur until sometime well into the future. If we are not able to generate revenue under our collaborations when and in accordance with our expectations or the expectations of industry analysts, this failure could harm our business and have an immediate adverse effect on the trading price of our common stock.

Our business requires us to generate meaningful revenue from royalties and licensing agreements. To date, we have not recognized material amount of revenue from royalties for the commercial sale of drugs, and we do not know when we will be able to generate such meaningful revenue in the future.

Securities class action lawsuits or other litigation could result in substantial damages and may divert management's time and attention from our business.

We have been subject to class action lawsuits in the past and we may be subject to lawsuits in the future, such as those that might occur if there was to be a change in our corporate strategy. These and other lawsuits are subject to inherent uncertainties, and the actual costs to be incurred relating to the lawsuit will depend upon many unknown factors. The outcome of litigation is necessarily uncertain, and we could be forced to expend significant resources in the defense of such suits, and we may not prevail. Monitoring and defending against legal actions is time-consuming for our management and detracts from our ability to fully focus our internal resources on our business activities. In addition, we may incur substantial legal fees and costs in connection with any such litigation. We have not established any reserves for any potential liability relating to any such potential lawsuits. It is possible that we could, in the future, incur judgments or enter into settlements of claims for monetary damages. A decision adverse to our interests on any such actions could result in the payment of substantial damages, or possibly fines, and could have an adverse effect on our

cash flow, results of operations and financial position.

If our competitors develop technologies that are more effective than ours, our commercial opportunity will be reduced or eliminated.

The biotechnology and pharmaceutical industries are intensely competitive and subject to rapid and significant technological change. Many of the drugs that we are attempting to discover will be competing with existing therapies. In addition, a number of companies are pursuing the development of pharmaceuticals that target the same diseases and conditions that we are targeting. For example, the commercialization of new pharmaceutical products is highly competitive, and we face substantial competition with respect to our products in which there are existing therapies and drug candidates in development for the treatment of hematologic disorders and cancer that may be alternative therapies to our products. Many of our competitors, including a number of large pharmaceutical companies that compete directly with us, have significantly greater financial resources and expertise commercializing approved products than we do. Also, many of our competitors are large pharmaceutical companies that will have a greater ability to reduce prices for their competing drugs in an effort to gain market share and undermine the value proposition that we might otherwise be able to offer to payors. We face, and will continue to face, intense competition from pharmaceutical and biotechnology companies, as well as from academic and research institutions and government agencies, both in the US and abroad. Some of these competitors are pursuing the development of pharmaceuticals that target the same diseases and conditions as our research programs. Our competitors including fully integrated pharmaceutical companies have extensive drug discovery efforts and are developing novel small-molecule pharmaceuticals. We also face significant competition from organizations that are pursuing the same or similar technologies, including the discovery of targets that are useful in compound screening, as the technologies used by us in our drug discovery efforts.

Competition may also arise from:

- new or better methods of target identification or validation;
- generic versions of our products or of products with which we compete;
- other drug development technologies and methods of preventing or reducing the incidence of disease;
- new small molecules; or
- other classes of therapeutic agents.

Our competitors or their collaborative partners may utilize discovery technologies and techniques or partner with collaborators in order to develop products more rapidly or successfully than we or our collaborators are able to do. Many of our competitors, particularly large pharmaceutical companies, have substantially greater financial, technical and human resources and larger research and development staffs than we do. In addition, academic institutions, government agencies and other public and private organizations conducting research may seek patent protection with respect to potentially competitive products or technologies and may establish exclusive collaborative or licensing relationships with our competitors.

We believe that our ability to compete is dependent, in part, upon our ability to create, maintain and license scientifically-advanced technology and upon our and our collaborators' ability to develop and commercialize pharmaceutical products based on this technology, as well as our ability to attract and retain qualified personnel, obtain patent protection or otherwise develop proprietary technology or processes, secure effective market access by ensuring competitive pricing and reimbursement in territories of interest, and secure sufficient capital resources for the expected substantial time period between technological conception and commercial sales of products based upon our technology. The failure by any of our collaborators or us in any of those areas may prevent the successful commercialization of our potential drug targets.

Many of our competitors, either alone or together with their collaborative partners, have significantly greater experience than we do in:

- identifying and validating targets;
- screening compounds against targets; and
- undertaking preclinical testing and clinical trials.

Accordingly, our competitors may succeed in obtaining patent protection, identifying or validating new targets or developing new drug compounds before we do.

Our competitors might develop technologies and drugs that are more effective or less costly than any that are being developed by us or that would render our technology and product candidates obsolete and noncompetitive. In addition, our competitors may succeed in obtaining the approval of the FDA or other regulatory agencies for product candidates more rapidly. Companies that complete clinical trials, obtain required regulatory agency approvals and commence commercial sale of their drugs before us may achieve a significant competitive advantage, including certain patent and FDA marketing exclusivity rights that would delay or prevent our ability to market certain products. Any drugs resulting from our research and development efforts, or from our joint efforts with our existing or future collaborative partners, might not be able to compete successfully with competitors' existing or future products or obtain regulatory approval in the US or elsewhere.

We face and will continue to face intense competition from other companies for collaborative arrangements with pharmaceutical and biotechnology companies, for establishing relationships with academic and research institutions and for licenses to additional technologies. These competitors, either alone or with their collaborative partners, may succeed in developing technologies or products that are more effective than ours.

Our ability to compete successfully will depend, in part, on our ability to:

- identify and validate targets;
- discover candidate drug compounds that interact with the targets we identify in a safe and efficacious way;
- attract and retain scientific and product development personnel;
- recruit subjects into our clinical trials;
- obtain and maintain required regulatory approvals;
- obtain patent or other proprietary protection for our new drug compounds and technologies;
- obtain access to manufacturing resources of the sufficient standard and scale;
- enter commercialization agreements for our new drug compounds; and
- obtain and maintain appropriate reimbursement price and positive recommendations by HTA bodies.

Our stock price may be volatile, and our stockholders' investment in our common stock could decline in value.

The market prices for our common stock and the securities of other biotechnology companies have been highly volatile and may continue to be highly volatile in the future. The following factors, in addition to other risk factors described in this section, may have a significant impact on the market price of our common stock:

- the progress and success of our clinical trials and preclinical activities (including studies and manufacture of materials) of our product candidates conducted by us;
- our ability to continue to sell our products in the US;

- our ability to enter into partnering opportunities across our pipeline;
- the receipt or failure to receive the additional funding necessary to conduct our business;
- selling of our common stock by large stockholders;
- presentations of detailed clinical trial data at medical and scientific conferences and investor perception thereof;
- announcements of technological innovations or new commercial products by our competitors or us;
- the announcement of regulatory applications, such as third party's ANDA, seeking approval of generic versions of our marketed products;
- developments concerning proprietary rights, including patents;
- developments concerning our collaborations;
- publicity regarding actual or potential medical results relating to products under development by our competitors or us;
- regulatory developments in the US and foreign countries;
- changes in the structure of healthcare payment systems;
- litigation or arbitration;
- economic and other external factors or other disaster or crisis; and
- period-to-period fluctuations in financial results.

We completed a reverse stock split of our shares of common stock, which may reduce and may limit the market trading liquidity of the shares due to the reduced number of shares outstanding and may potentially have an anti-takeover effect.

We completed a reverse stock split of our common stock by a ratio of 1-for-10 effective June 27, 2024. The primary objective of the reverse stock split was to attempt to raise the per share trading price of our common stock. We believe that a low per share market price of our common stock impairs our marketability to, and acceptance by, institutional investors and other members of the investing public and creates a negative impression of us. Among other benefits, the effectuation of the reverse stock split seeks to help us maintain compliance with the minimum bid continued listing requirement of $1.00 per share required to maintain continued listing on The Nasdaq Global Select Market (the Bid Price Requirement). Prior to us effecting a reverse stock split, the closing bid price of our common stock at certain periods fell below $1.00 per share for 30 consecutive trading days. We received deficiency letters from the Listing Qualifications Department of Nasdaq on November 22, 2022 and November 27, 2023, notifying us that, for 30 consecutive business days, the bid price for our common stock had closed below the Bid Price Requirement. We received notification from the Listing Department of Nasdaq on January 5, 2023 and December 12, 2023 that we had regained our compliance with the Bid Price Requirement because the closing price of our common stock closed at $1.00 or more for over 10 consecutive days. Although we regained compliance with the Nasdaq Bid Price Requirement, in the future, Nasdaq may initiate a delisting process with a notification letter if we were to again fall out of compliance. If we were to receive such a notification, we would be afforded a grace period of 180 calendar days to regain compliance with the Bid Price Requirement. In order to regain compliance, shares of our common stock would need to maintain a minimum closing bid price of at least $1.00 per share for a minimum of 10 consecutive trading days. Additionally, we may be unable to meet other applicable Nasdaq listing requirements, including maintaining minimum levels of stockholders' equity or market values of our common stock in which case, our common stock could be delisted. If our

common stock were to be delisted, the liquidity of our common stock would be adversely affected and the market price of our common stock could decrease.

Reducing the number of outstanding shares of our common stock through the reverse stock split increased the per share trading price of our common stock. However, there is no assurance that:

- the market price per share of our common stock after the reverse stock split will rise in proportion to the reduction in the number of shares outstanding before the reverse stock split;
- the reverse stock split will result in a per-share price that would attract brokers and investors who do not trade in lower-priced stocks;
- the reverse stock split will result in a per-share price that will increase our ability to attract and retain employees and other service providers; or
- the reverse stock split will promote greater liquidity for our stockholders with respect to their shares.

In addition, the reverse stock split reduced the number of outstanding shares of our common stock without reducing the authorized number of shares of our common stock. Therefore, the number of shares of our common stock that are authorized and unissued has increased relative to the number of issued and outstanding shares of our common stock following the reverse stock split. Our Board of Directors may authorize the issuance of the remaining authorized and unissued shares without further stockholder action for a variety of purposes, except as such stockholder approval may be required in particular cases by our Amended and Restated Certificate of Incorporation, applicable law or the rules of any stock exchange on which our securities may then be listed. The issuance of additional shares would be dilutive to our existing stockholders and may cause a decline in the trading price of our common stock. The issuance of authorized but unissued shares of common stock could be used to deter a potential takeover of us that may otherwise be beneficial to stockholders by diluting the shares held by a potential suitor or issuing shares to a stockholder that will vote in accordance with our Board of Directors' desires. A takeover may be beneficial to independent stockholders because, among other reasons, a potential suitor may offer such stockholders a premium for their shares of stock compared to the then-existing market price. We do not have any plans or proposals to adopt provisions or enter into agreements that may have material anti-takeover consequences.

The market price of our common stock is based on our performance and other factors, some of which are unrelated to the number of shares outstanding. If the market price of our common stock declines, the percentage decline as an absolute number and as a percentage of our overall market capitalization may be greater than would occur in the absence of the reverse stock split.

The withdrawal of the UK from the EU may adversely impact our ability to obtain regulatory approvals of our product candidates in the UK, result in restrictions or imposition of taxes and duties for importing our product candidates into the UK, and may require us to incur additional expenses in order to develop, manufacture and commercialize our product candidates in the UK.

Following the result of a referendum in 2016, the UK left the EU on January 31, 2020, commonly referred to as Brexit. Pursuant to the formal withdrawal arrangements agreed between the UK and the EU, the UK was subject to a transition period until December 31, 2020, or the Transition Period, during which EU rules continued to apply. A trade and cooperation agreement (Trade Agreement) that outlines the future trading relationship between the UK and the EU was agreed to in December 2020 and has been approved by each EU member state and the UK.

Since a significant proportion of the regulatory framework in the UK applicable to our business and our product candidates is derived from EU directives and regulations, Brexit has had, and will continue to have, a material impact upon the regulatory regime with respect to the development, manufacture, importation, approval and commercialization of our product candidates in the UK or the EU. Great Britain (made up of England, Scotland, and Wales) is no longer covered by the EEA's procedures for the grant of marketing authorizations (Northern Ireland will be covered by such procedures). The UK Government and the EU recently adopted a new agreement, the "Windsor Framework" which will replace the Northern Ireland Protocol. According to the Windsor Framework, medicinal products intended for the UK

market including Northern Ireland will be authorized by the MHRA, and will bear a "UK only" label. This means that Medicinal products placed on the market in Northern Ireland will no longer need to be compliant with EU law. These new measures will be implemented from January 1, 2025.

A separate marketing authorization will be required to market drugs in Great Britain. The MHRA has launched the Innovative Licensing and Access Pathway (ILAP), a new accelerated assessment procedure for marketing authorization applications facilitating the interaction with pricing authorities and HTA bodies and aiming to enable companies to enter the UK market faster. On January 1, 2024, the MHRA launched a new International Recognition Procedure for Great Britain (England, Scotland and Wales) marketing authorization applications whereby the MHRA will, when considering such applications, recognize the approval of medicines by trusted reference regulators in Australia, Canada, Switzerland, Singapore, Japan, United States and EU following its own abbreviated assessment. Any delay in obtaining, or an inability to obtain, any marketing approvals would delay or prevent us from commercializing our product candidates in the UK or the EU and restrict our ability to generate revenue and achieve and sustain profitability.

While the Trade Agreement provides for the tariff-free trade of medicinal products between the UK and the EU, there may be additional non-tariff costs to such trade which did not exist prior to the end of the Transition Period. Further, should the UK diverge from the EU from a regulatory perspective in relation to medicinal products, tariffs could be put into place in the future. We could therefore, both now and in the future, face significant additional expenses (when compared to the position prior to the end of the Transition Period) to operate our business, which could significantly and materially harm or delay our ability to generate revenues or achieve profitability of our business. Any further changes in international trade, tariff and import/export regulations as a result of Brexit or otherwise may impose unexpected duty costs or other non-tariff barriers on us. These developments, or the perception that any of them could occur, may significantly reduce global trade and, in particular, trade between the impacted nations and the UK. It is also possible that Brexit may negatively affect our ability to attract and retain employees, particularly those from the EU.

Orphan designation in the UK following Brexit is granted on an essentially identical basis as in the EU but is based on the prevalence of the condition in the UK. It is therefore possible that conditions that are currently designated as orphan conditions in the UK will no longer be, and conditions that are not currently designated as orphan conditions in the EU will be designated as such in the UK.

In April 2023, the European Commission adopted a wide ranging proposal for a new Directive and a new Regulation to revise and replace the existing general pharmaceutical legislation. This change will likely result in significant changes to the pharmaceutical industry. In particular, it is expected that the new Directive and Regulations will, if made into law, affect the duration of the period of regulatory protection afforded to medicinal products including regulatory data protection (also called "data exclusivity"), marketing exclusivity afforded to orphan medicinal products, as well as the conditions of eligibility to the orphan designation. The legislation is not expected to be adopted before 2026/2027.

If product liability lawsuits are successfully brought against us, we may incur substantial liabilities and may be required to limit commercialization of our products.

The testing and marketing of medical products and the sale of any products for which we obtain marketing approval exposes us to the risk of product liability claims. Product liability claims might be brought against us by consumers, healthcare providers, pharmaceutical companies or others selling or otherwise coming into contact with our products. If we cannot successfully defend ourselves against product liability claims, we may incur substantial liabilities or be required to limit commercialization of our products. We carry product liability insurance that is limited in scope and amount and may not be adequate to fully protect us against product liability claims. If and when we obtain marketing approval for our product candidates, we intend to expand our insurance coverage to include the sale of commercial products; however, we may be unable to obtain product liability insurance on commercially reasonable terms or in adequate amounts. Our inability to obtain sufficient product liability insurance at an acceptable cost to protect against potential product liability claims could prevent or inhibit the commercialization of pharmaceutical products we develop, alone or with corporate collaborators. We, or our corporate collaborators, might not be able to obtain insurance at a reasonable cost, if at all. While under various circumstances we are entitled to be indemnified against losses by our corporate collaborators, indemnification may not be available or adequate should any claim arise.

We depend on various scientific consultants and advisors for the success and continuation of our research and development efforts.

We work extensively with various scientific consultants and advisors. The potential success of our drug discovery and development programs depends, in part, on continued collaborations with certain of these consultants and advisors. We, and various members of our management and research staff, rely on certain of these consultants and advisors for expertise in our research, regulatory and clinical efforts. Our scientific advisors are not our employees and may have commitments to, or consulting or advisory contracts with, other entities that may limit their availability to us. We do not know if we will be able to maintain such consulting agreements or that such scientific advisors will not enter into consulting arrangements with competing pharmaceutical or biotechnology companies, any of which may have a detrimental impact on our research objectives and could have an adverse effect on our business, financial condition and results of operations.

While we have a strong compliance process in place to ensure we are complying with all requirements of law, our consulting or advisory contracts with our scientific consultants and advisors may be scrutinized under the Anti-Kickback Statute, the UK Bribery Act 2010, and other similar national and state-level legislation, which prohibit, among other things, companies from offering or paying anything of value as remuneration for ordering, purchasing, or recommending the ordering or purchasing of pharmaceutical and biological products that may be paid for, in whole or in part, by Medicare, Medicaid, or another federal healthcare program. Although there are several statutory exceptions and regulatory safe harbors that may protect these arrangements from prosecution or regulatory sanctions, our consulting and advising contracts may be subject to scrutiny if they do not fit squarely within an available exception or safe harbor.

If we use biological and hazardous materials in a manner that causes injury or violates laws, we may be liable for damages, penalties or fines.

Our research and development activities involve the controlled use of potentially harmful biological materials as well as hazardous materials, chemicals, animals, and various radioactive compounds. We cannot completely eliminate the risk of accidental contamination or injury from the use, storage, handling or disposal of these animals and materials. In the event of contamination or injury, we could be held liable for damages that result or for penalties or fines that may be imposed, and such liability could exceed our resources. We are also subject to federal, state and local laws and regulations governing the use, storage, handling and disposal of these materials and specified waste products. The cost of compliance with, or any potential violation of, these laws and regulations could be significant.

Our information technology systems, or those used by our CROs or other contractors or consultants, may fail or suffer other breakdowns, cyber-attacks, or information security breaches.

We are dependent upon information technology systems, infrastructure, and data to operate our business. While we believe our cybersecurity measures are adequate, our cybersecurity risk management, strategy and governance may be found to be inadequate that could harm our business. We rely on third-party vendors and their information technology systems. Despite the implementation of security measures, our recovery systems, security protocols, network protection mechanisms and other security measures and those of our CROs and other contractors and consultants are vulnerable to compromise from natural disasters; terrorism; war; telecommunication and electric failures; traditional computer hackers; malicious code (such as computer viruses or worms); employee error, theft or misuse; denial-of-service attacks; cyber-attacks by sophisticated nation-state and nation-state supported actors including ransomware; or other system disruptions. We receive, generate and store significant and increasing volumes of personal (including health), confidential and proprietary information. There can be no assurance that we, or our collaborators, CROs, third-party vendors, contractors and consultants will be successful in efforts to detect, prevent, protect against or fully recover systems or data from all breakdowns, service interruptions, attacks or breaches. Any breakdown, cyber-attack or information security breach could result in a disruption of our drug development programs or other aspects of our business. For example, the loss of clinical trial data from completed or ongoing clinical trials for a product candidate could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. To the extent that any disruption or security breach were to result in a loss of or damage to our data or applications, or inappropriate disclosure of personal, confidential or proprietary information, we could incur liability, incur significant remediation or litigation costs, result in product development delays, disrupt key business operations, cause loss of revenue and divert attention of management and key information technology resources.

Hackers and data thieves are increasingly sophisticated and operate large-scale and complex automated attacks, including on companies within the healthcare industry. As the cyber-threat landscape evolves, these threats are likely growing in frequency, sophistication and intensity and are increasingly difficult to detect. The costs of maintaining or upgrading our cyber-security systems at the level necessary to keep up with our expanding operations and prevent against potential attacks are increasing. Cyber threats may be generic, or they may be targeted against our information systems. Our network and storage applications and those of our contract manufacturing organizations, collaborators, contractors, CROs or vendors may be subject to unauthorized access or processing by hackers or breached due to operator or other human error, theft, malfeasance or other system disruptions. We may be unable to anticipate or immediately detect information security incidents and the damage caused by such incidents. These data breaches and any unauthorized access, processing or disclosure of our information or intellectual property could compromise our intellectual property and expose our sensitive business information. Such attacks, such as in the case of a ransomware attack, also may interfere with our ability to continue to operate and may result in delays and shortcomings due to an attack that may encrypt our or our service providers' or partners' systems unusable. Additionally, because our services involve the processing of personal information and other sensitive information about individuals, we are subject to various laws, regulations, industry standards, and contractual requirements related to such processing. Any event that leads to unauthorized access, processing or disclosure of personal information, including personal information regarding our clinical trial participants or employees, could harm our reputation and business, compel us to comply with federal and/or state breach notification laws and foreign law equivalents, subject us to investigations and mandatory corrective action, and otherwise subject us to liability under laws, regulations or contracts that protect the privacy and security of personal information, which could disrupt our business, damage our reputation with our stakeholders, result in increased costs or loss of revenue, lead to negative publicity or result in significant financial exposure. The CCPA, in particular, includes a private right of action for California consumers whose personal information is impacted by a data security incident resulting from a company's failure to maintain reasonable security procedures, and hence may result in civil litigation in the event of a security breach impacting such information. In addition, legislators and regulators in the US have enacted and are proposing new and more robust privacy and cybersecurity laws and regulations in response to increasing broad-based cyberattacks, including the CCPA and New York SHIELD Act. Notably, on July 26, 2023, the SEC adopted a final rule on cybersecurity risk management, strategy, governance and incident disclosure (SEC Cyber Rule). The SEC Cyber Rule requires public companies to make current disclosures about material cybersecurity incidents as well as annual disclosures of material information about their cybersecurity risk management, strategy and governance. The SEC Cyber Rule became effective on September 5, 2023. New data security laws add additional complexity, requirements, restrictions and potential legal risk, and compliance programs may require additional investment in resources, and could impact strategies and availability of previously useful data. Failure to timely identify and disclose a material cybersecurity incident could result in SEC enforcement actions, litigation, and reputational damage.

The costs to respond to a security breach and/or to mitigate any identified security vulnerabilities could be significant, our efforts to address these issues may not be successful, and these issues could result in interruptions, delays, negative publicity, loss of customer trust, and other harms to our business and competitive position. Remediation of any potential security breach may involve significant time, resources, and expenses. We could be required to fundamentally change our business activities and practices in response to a security breach and our systems or networks may be perceived as less desirable, which could negatively affect our business and damage our reputation.

A security breach may cause us to breach our contracts with third parties. Our agreements with relevant stakeholders such as collaborators may require us to use legally required, industry-standard or reasonable measures to safeguard personal information. A security breach could lead to claims by relevant stakeholders that we have failed to comply with such contractual obligations, or require us to cooperate with these stakeholders in their own compliance efforts related to the security breach. In addition, any non-compliance with our data privacy obligations in our contracts or our inability to flow down such obligations from relevant stakeholders to our vendors may cause us to breach our contracts. As a result, we could be subject to legal action or the relevant stakeholders could end their relationships with us. There can be no assurance that the limitations of liability in our contracts would be enforceable or adequate or would otherwise protect us from liabilities or damages.

We may not have adequate insurance coverage for security incidents or breaches. The successful assertion of one or more large claims against us that exceeds our available insurance coverage, or results in changes to our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an

adverse effect on our business. In addition, we cannot be sure that our existing insurance coverage will continue to be available on acceptable terms or that our insurers will not deny coverage as to any future claim.

Future equity issuances or a sale of a substantial number of shares of our common stock may cause the price of our common stock to decline.

Because we may need additional capital in the future to continue to expand our business, we may conduct additional equity offerings. We have an Open Market Sale Agreement with Jefferies entered on August 4, 2020, and amended and restated on August 2, 2024, pursuant to which, we may sell from time to time, through Jefferies, shares of our common stock in sales deemed to be "at-the-market offerings" as defined in Rule 415 under the Securities Act, subject to conditions specified in the Open Market Sale Agreement, including maintaining an effective registration statement covering the sale of shares under the Open Market Sale Agreement. We had a shelf registration statement (the Prior Registration Statement) filed with the SEC that expired on August 3, 2024. The Prior Registration Statement included a base prospectus registering the offering, issuance, and sale by us of up to $250.0 million in the aggregate of the securities identified from time to time in one or more offerings, including the $100.0 million of shares of our common stock that may be offered, issued and sold under the Open Market Sale Agreement. On August 2, 2024, we filed a new shelf registration statement (the New Registration Statement) with the SEC to replace the Prior Registration Statement. The New Registration Statement was declared effective on August 9, 2024 by the SEC. The New Registration Statement includes a base prospectus to register the offering, issuance and sale by us of up to $250.0 million in the aggregate of securities identified from time to time in one or more offerings, including up to $100.0 million of shares of our common stock that may be offered, issued and sold under the Open Market Sale Agreement. As of September 30, 2025, we have not sold any shares of common stock under such Open Market Sale Agreement.

We may also in the future enter into underwriting or sales agreements with financial institutions for the offer and sale of any combination of common stock, preferred stock, debt securities and warrants in one or more offerings. If we or our stockholders sell, or if it is perceived that we or they will sell, substantial amounts of our common stock in the public market, the market price of our common stock could fall. A decline in the market price of our common stock could make it more difficult for us to sell equity or equity-related securities in the future at a time and price that we deem appropriate. In addition, future sales by us of our common stock may be dilutive to existing stockholders. Furthermore, if we obtain funds through a credit facility or through the issuance of debt or preferred securities, these securities would likely have rights senior to the rights of our common stockholders, which could impair the value of our common stock.

Risks Related to Clinical Development and Regulatory Approval

Enacted or future legislation, and/or potentially unfavorable pricing regulations or other healthcare reform initiatives, may increase the difficulty and cost for us to obtain regulatory approval of our product candidates and/or commercialize our products or our product candidates, once approved, and affect the prices we may set or obtain.*

The regulations that govern, among other things, regulatory approvals, coverage, pricing and reimbursement for new drug products vary widely from country to country. In the US and some foreign jurisdictions, there have been a number of legislative and regulatory changes and proposed changes regarding the healthcare system that could prevent or delay regulatory approval of our product candidates, restrict or regulate post-approval activities and affect our ability to successfully sell our products, or any product candidates for which we obtain regulatory approval in the future. In particular, in March 2010, the Affordable Care Act was enacted, which substantially changed the way healthcare is financed by both governmental and private insurers, and continues to significantly impact the US pharmaceutical industry. On June 17, 2021, the US Supreme Court dismissed a legal challenge to the Affordable Care Act brought by several states (which argued that, without the individual mandate, the entire Affordable Care Act was unconstitutional) without specifically ruling on the constitutionality of the law. It is unclear how future actions before the Supreme Court, other such litigation, and the healthcare reform measures of future presidential administrations will impact the Affordable Care Act and our business.

There have been, and likely will continue to be, legislative and regulatory proposals at the foreign, federal and state levels directed at broadening the availability of healthcare and containing or lowering the cost of healthcare. We cannot predict the initiatives that may be adopted in the future. The continuing efforts of the government, insurance companies, managed care organizations and other payors of healthcare services to contain or reduce the costs of

healthcare and/or impose price controls may adversely affect, for example:

- the demand for our products, or our product candidates, if we obtain regulatory approval;
- our ability to set a price that we believe is fair for our products;
- our ability to generate revenue and achieve or maintain profitability;
- the level of taxes that we are required to pay; and
- the availability of capital.

Any reduction in reimbursement from Medicare or other government programs may result in a similar reduction in payments from private payors, which may adversely affect our future profitability.

In the US, the EU and other potentially significant markets for our current and future products, government authorities and third-party payors are increasingly attempting to limit or regulate the price of medical products and services, particularly for new and innovative products and therapies, which has resulted in lower average selling prices. In the US, there have been several Congressional inquiries and federal legislation designed to, among other things, bring more transparency to drug pricing, review the relationship between pricing and manufacturer-sponsored patient assistance programs, and reform government program reimbursement methodologies for drugs.

On March 11, 2021, the American Rescue Plan Act of 2021 was signed into law, which, among other changes, eliminated the statutory Medicaid drug rebate cap, which was previously set at 100% of a drug's average manufacture price, for single source and innovator multiple source drugs, as of January 1, 2024. The American Rescue Plan Act also temporarily increased premium tax credit assistance for individuals eligible for subsidies under the Affordable Care Act for 2021 and 2022 and removed the 400% federal poverty level limit that otherwise applies for purposes of eligibility to receive premium tax credits. The Inflation Reduction Act (IRA), signed into law on April 6, 2022, extended this increased tax credit assistance and removal of the 400% federal poverty limit through 2025. Additionally, beginning in April 2013, the Budget Control Act of 2011 created an automatic reduction of Medicare payments to providers of up to 2%. As a result of the COVID-19 pandemic, this reduction was temporarily suspended from May 1, 2020 through March 31, 2022, with subsequent reductions to 1% from April 1, 2022 through June 30, 2022. The 2% reduction was then reinstated and has been in effect since July 1, 2022, and will remain in effect through the first ten months in which the fiscal year 2032 sequestration order is in effect, unless additional Congressional action is taken. Additionally, the IRA implements substantial changes to the Medicare program, including drug pricing reforms and changes to the Medicare Part D benefit design. Among other reforms, the IRA allows Medicare to: beginning in 2026, establish a "maximum fair price" for a fixed number of pharmaceutical and biological products covered under Medicare Parts B and D following a price negotiation with CMS; beginning in 2023, penalize drug companies that raise prices for products covered under Medicare Parts B and D faster than inflation; and beginning in 2025, cap beneficiary annual out-of-pocket spending at $2,000, while imposing new discount obligations on pharmaceutical and biological manufacturers for products covered under Medicare Part D. CMS continues to take steps to implement the IRA, including: releasing the negotiated maximum prices, which will be effective in 2026, for the first ten drugs that were subject to the IRA's negotiation process; releasing quarterly lists of Medicare Part B products that are subject to adjusted coinsurance rates based on the inflationary rebate provisions of the IRA; and announcing a list of fifteen additional drugs that will be subject to price negotiations during 2025. While it remains to be seen how the drug pricing provisions imposed by the IRA will affect the broader pharmaceutical industry, several pharmaceutical manufacturers and other industry stakeholders have challenged the law, including through lawsuits brought against the DHHS, the Secretary of the DHHS, CMS, and the CMS Administrator challenging the constitutionality and administrative implementation of the IRA's drug price negotiation provisions. Additionally, when originally enacted, the IRA explicitly excluded from price negotiation orphan drugs designated for only one rare disease or condition and for which the only active approved indication is for such disease or condition. However, the OBBBA amended the applicable statute to broaden the orphan drug exclusion such that products with more than one orphan designation and more than one approved indication will remain exempt from price negotiation, so long as each approved indication is for a rare disease or condition. The OBBBA also postpones the start of price negotiation requirements for drugs and biologics with orphan designations until the product receives approval for a non-orphan indication.

Other proposed administrative actions may affect our government pricing responsibilities. For example, there are pending legal and legislative developments relating to the 340B Drug Pricing Program, including ongoing litigation challenging federal enforcement actions against manufacturers and recently introduced and enacted state legislation. It remains to be seen how these drug pricing initiatives will affect the broader pharmaceutical industry.

The current presidential administration has also signaled its intent to pursue healthcare reform measures, including those aimed at reducing prescription drug prices. For example, President Trump has signed multiple executive orders addressing prescription drug pricing and access, including: on April 15, 2025, outlining several actions the Secretary of the DHHS must take to optimize healthcare regulations that will provide access to prescription drugs at
lower costs; on May 5, 2025, aiming to promote domestic production of critical medicines; and on May 12, 2025, aiming
to establish a most favored nation (MFN) drug pricing policy that would tie US drug prices to the prices paid for drugs in other countries. Since the May 12, 2025 MFN executive order, the Trump administration has continued to exert pressure on drug manufacturers to implement MFN pricing, and in early October 2025 announced two agreements with Pfizer and AstraZeneca. The Trump administration also announced that both manufacturers would make products available at significant discounts on a new direct-to-consumer website that will be launched in January 2026. Further, the current administration has suggested that it may impose tariffs on pharmaceuticals if similar MFN agreements are not reached with other drug manufacturers.

In addition, on June 28, 2024, the US Supreme Court issued an opinion holding that courts reviewing agency action pursuant to the Administrative Procedure Act (APA) “must exercise their independent judgment” and “may not defer to an agency interpretation of the law simply because a statute is ambiguous.” The decision will have a significant impact on how lower courts evaluate challenges to agency interpretations of law, including those by CMS and other agencies with significant oversight of the healthcare industry. The new framework is likely to increase both the frequency of such challenges and their odds of success by eliminating one way in which the government previously prevailed in such cases. As a result, significant regulatory policies may be subject to increased litigation and judicial scrutiny. Any resulting changes in regulation may result in unexpected delays, increased costs, or other negative impacts that are difficult to predict but could have a material adverse effect on our business and financial condition. For example, certain of these changes could impose additional limitations on the rates we will be able to charge for our future products or the amounts of reimbursement available for our future products from governmental agencies or third-party payors.

At the state level, individual states are increasingly aggressive in passing legislation and implementing regulations designed to control pharmaceutical and biological product pricing. Specifically, several US states and localities have enacted legislation requiring pharmaceutical companies to establish marketing compliance programs, file periodic reports, and/or make periodic public disclosures on sales, marketing, pricing, clinical trials, and other activities. Other state laws prohibit certain marketing-related activities, including the provision of gifts, meals or other items to certain healthcare providers, and restrict the ability of manufacturers to offer co-pay support to patients for certain prescription drugs. Several state laws require disclosures related to state agencies and/or commercial purchasers with respect to price increases and new product launches that exceed certain thresholds as identified in the relevant statutes. Some of these laws and regulations contain ambiguous requirements that government officials have not yet clarified. Given the lack of clarity in the laws and their implementation, our reporting actions could be subject to the penalty provisions of the pertinent state laws and regulations. Another emerging trend at the state level is the establishment of prescription drug affordability boards, some of which will prospectively permit certain states to establish upper payment limits for drugs that the state has determined to be “high-cost.” Prescription drug affordability boards in several states, including Colorado, Maryland, Oregon, and Washington, have begun identifying products for affordability reviews and issuing information request to manufacturers to determine whether upper payment limits may be justified.

Furthermore, the increased emphasis on managed healthcare in the US and on country and regional pricing and reimbursement controls in the EU and the UK will put additional pressure on product pricing, reimbursement and usage, which may adversely affect our sales and results of operations. These pressures can arise from rules and practices of managed care groups, judicial decisions and governmental laws and regulations related to Medicare, Medicaid, healthcare reform, pharmaceutical reimbursement policies and pricing in general. Legislative and regulatory proposals have been made to expand post-approval requirements and restrict sales and promotional activities for pharmaceutical products.

We cannot predict the likelihood, nature, or extent of health reform initiatives that may arise from future legislation or administrative action. However, we expect these initiatives to increase pressure on drug pricing. Further, certain broader legislation that is not targeted to the healthcare industry may nonetheless adversely affect our profitability. If we or any third parties we may engage are slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if we or such third parties are not able to maintain regulatory compliance, our product candidates may lose any regulatory approval that may have been obtained and we may not achieve or sustain profitability.

See "Business – Government Regulation – Healthcare Reform" contained in Part I, Item 1 of tour Annual Report on Form 10-K for the year ended December 31, 2024, for additional information.

Regulatory approval for any approved product is limited by the FDA, the EC and other regulators to those specific indications and conditions for which clinical safety and efficacy have been demonstrated, and we may incur significant liability if it is determined that we are promoting the "off-label" use of our products or any of our future product candidates if approved.

Any regulatory approval is limited to those specific diseases, indications and patient populations for which a product is deemed to be safe and effective by the FDA, the EC and other regulators. For example, the FDA-approved label for TAVALISSE is only approved for use in adults with ITP who have had an insufficient response to other treatments and for REZLIDHIA is only approved for use in adult patients with R/R AML with a susceptible IDH1 mutation as detected by an FDA-approved test. Further, GAVRETO is approved by the FDA for the treatment of adult patients with metastatic RET fusion-positive NSCLC and has a conditional approval for the treatment of adult and pediatric patients 12 years of age and older with advanced or metastatic RET fusion-positive thyroid cancer. In addition to the FDA approval required for new formulations, any new indication for an approved product also requires FDA approval. If we are not able to obtain FDA approval for any desired future indications for our products and product candidates, or if we are not able to maintain a conditional approval or transition a conditional approval to full approval, our ability to effectively market and sell our products may be reduced and our business may be adversely affected.

While physicians may choose to prescribe drugs for uses that are not described in the product's labeling and for uses that differ from those tested in clinical studies and approved by the regulatory authorities, our ability to promote the products is limited to those indications and patient populations that are specifically approved by the FDA. These "off-label" uses are common across medical specialties and may constitute an appropriate treatment for some patients in varied circumstances. We have implemented compliance and monitoring policies and procedures, including a process for internal review of promotional materials, to deter the promotion of our products for off-label uses. We cannot guarantee that these compliance activities will prevent or timely detect off-label promotion by sales representatives or other personnel in their communications with healthcare professionals, patients and others, particularly if these activities are concealed from us. Regulatory authorities in the US generally do not regulate the behavior of physicians in their choice of treatments. Regulatory authorities do, however, restrict communications by pharmaceutical companies on the subject of off-label use. If our promotional activities fail to comply with the FDA's or other competent national authority's regulations or guidelines, we may be subject to warnings from, or enforcement action by, these regulatory authorities. In addition, our failure to follow FDA rules and guidelines relating to promotion and advertising may cause the FDA to issue warning letters or untitled letters, suspend or withdraw an approved product from the market, require a recall or institute fines, which could result in the disgorgement of money, operating restrictions, injunctions or civil or criminal enforcement, and other consequences, any of which could harm our business.

Notwithstanding the regulatory restrictions on off-label promotion, the FDA and other regulatory authorities allow companies to engage in truthful, non-misleading and non-promotional scientific exchange concerning their products. We engage in medical education activities and communicate with investigators and potential investigators regarding our clinical trials. If the FDA or other regulatory or enforcement authorities determine that our communications regarding our marketed product are not in compliance with the relevant regulatory requirements and that we have improperly promoted off-label uses, or that our communications regarding our investigational products are not in compliance with the relevant regulatory requirements and that we have improperly engaged in pre-approval promotion, we may be subject to significant liability, including civil and administrative remedies as well as criminal sanctions.

Delays in clinical testing could result in increased costs to us.

We may not be able to initiate or continue clinical studies or trials for our product candidates if we are unable to locate and enroll a sufficient number of eligible patients to participate in these clinical trials as required by the FDA or other regulatory authorities, whether due to the impacts of a global pandemic, global tensions arising from the Russian-Ukrainian war and Hamas-Israel war or otherwise. Even if we are able to enroll a sufficient number of patients in our clinical trials, if the pace of enrollment is slower than we expect, the development costs for our product candidates may increase and the completion of our clinical trials may be delayed, or our clinical trials could become too expensive to complete. Significant delays in clinical testing could negatively impact our product development costs and timing. Our estimates regarding timing are based on a number of assumptions, including assumptions based on past experience with our other clinical programs. If we are unable to enroll the patients in these trials at the projected rate, the completion of the clinical program could be delayed and the costs of conducting the program could increase, either of which could harm our business.

Clinical trials can be delayed for a variety of reasons, including delays in obtaining regulatory approval to commence a study, delays from scaling up of a study, delays in reaching agreement on acceptable clinical trial agreement terms with prospective clinical sites, delays in obtaining institutional review board approval to conduct a study at a prospective clinical site or delays in recruiting subjects to participate in a study. In addition, we typically rely on third-party clinical investigators to conduct our clinical trials and other third-party organizations to oversee the operations of such trials and to perform data collection and analysis. The clinical investigators are not our employees, and we cannot control the amount or timing of resources that they devote to our programs. Failure of the third-party organizations to meet their obligations, whether due to the potential future impacts of a global pandemic, the global tensions arising from the Russian-Ukrainian war and Hamas-Israel war or otherwise, could adversely affect clinical development of our products. As a result, we may face additional delaying factors outside our control if these parties do not perform their obligations in a timely fashion. For example, any number of those issues could arise with our clinical trials causing a delay. Delays of this sort could occur for the reasons identified above or other reasons. If we have delays in conducting the clinical trials or obtaining regulatory approvals, our product development costs will increase. For example, we may need to make additional payments to third-party investigators and organizations to retain their services or we may need to pay recruitment incentives. If the delays are significant, our financial results and the commercial prospects for our product candidates will be harmed, and our ability to become profitable will be delayed. Moreover, these third-party investigators and organizations may also have relationships with other commercial entities, some of which may compete with us. If these third-party investigators and organizations assist our competitors at our expense, it could harm our competitive position.

Due to the effects of the COVID-19 pandemic, for several of our development programs, we experienced disruption or delay in our ability to enroll and assess patients, maintain patient enrollment, supply study drugs, report trial results, or interact with regulators, ethics committees or other important agencies due to limitations in employee resources or otherwise. In addition, in the event that a global pandemic occurs in the future, some patients in our clinical trial may not be able or willing to comply with clinical trial protocols if quarantines impede patient movement or interrupt healthcare services. Similarly, our ability to recruit and retain patients and principal investigators and site staff may be adversely affected if a global pandemic continues and persists for an extended period of time, and we may experience significant disruptions to our clinical development timelines, which would adversely affect our business, financial condition, results of operations and growth prospects in the future.

We have conducted in the past and are currently conducting or may conduct in the future clinical trials in the US and outside the US. In the past, we had clinical trial sites in Russia and Ukraine for our wAIHA trial, which trials have concluded. Recent actions taken by the Russian Federation in Ukraine and surrounding areas have destabilized the region and caused the adoption of comprehensive sanctions by, among others, the EU, the US and the UK, which restrict a wide range of trade and financial dealings with Russia and Russian persons, as well as certain regions in Ukraine. Also, the recent global tensions arising from the Hamas-Israel war may result in disruptions in the broader global economic environment. Further, some patients may not be able to comply with clinical trial protocols if the conflict impedes patient movement or interrupts healthcare services. In addition, clinical trial site initiation and patient enrollment may be delayed, and we may not be able to access sites for initiation and monitoring in regions affected by the Russian-Ukrainian war or the Hamas-Israel war including due to the prioritization of hospital resources away from clinical trials or as a result of warfare, violence, government-imposed curfews, or events or other governmental actions that restrict

movement. We could also experience disruptions in our supply chain or limits our ability to obtain sufficient materials for our drug products in certain regions.

Public perception of the risk-benefit balance for our product candidates may be affected by adverse events in clinical trials involving our product candidate or other treatments.

Negative perception of the efficacy, safety, or tolerability of any investigational medicines that we develop, or of other products similar to products we are developing, could adversely affect our ability to conduct our business, advance our investigational medicines, or obtain regulatory approvals.

Adverse events in clinical trials of our investigational medicines or in clinical trials of others developing similar products could result in a decrease in the perceived benefit of one or more of our programs, increased regulatory scrutiny, decreased confidence by patients and clinical trial collaborators in our investigational medicines, and less demand for any product that we may develop. If and when they are used in clinical trials, our developmental candidates and investigational medicines could result in a greater quantity of reportable adverse events, including suspected unexpected serious adverse reactions, other reportable negative clinical outcomes, manufacturing reportable events or material clinical events that could lead to clinical delay or hold by the FDA or applicable regulatory authority or other clinical delays, any of which could negatively impact the perception of one or more of our programs, as well as our business as a whole. In addition, responses by US, state, or foreign governments to negative public perception may result in new legislation or regulations that could limit our ability to develop any investigational medicines or commercialize any approved products, obtain or maintain regulatory approval, or otherwise achieve profitability. More restrictive statutory regimes, government regulations, or negative public opinion would have an adverse effect on our business, financial condition, results of operations, and prospects and may delay or impair the development of our investigational medicines and commercialization of any approved products or demand for any products we may develop.

We lack the capability to manufacture compounds for clinical development, and we rely on and intend to continue relying on third parties for commercial supply, manufacturing and distribution, if any, of our product candidates which receive regulatory approval and we may be unable to obtain required material or product in a timely manner, at an acceptable cost or at a quality level required to receive regulatory approval.*

We currently do not have the manufacturing capabilities or experience necessary to produce our products or any product candidates for clinical trials. We currently use three API manufacturing facilities and three finished goods manufacturing facilities for our products. We do not currently have, nor do we plan to acquire the infrastructure or capability to supply, manufacture or distribute preclinical, clinical or commercial quantities of drug substances or products. For each clinical trial of our unpartnered product candidates, we rely on third-party manufacturers for the API, as well as various manufacturers to manufacture starting components, excipients and formulated drug products. Our ability to develop our product candidates, and our ability to commercially supply our products will depend, in part, on our ability to successfully obtain the API and other substances and materials used in our product candidates from third parties and to have finished products manufactured by third parties in accordance with regulatory requirements and in sufficient quantities for preclinical and clinical testing and commercialization. If we fail to develop and maintain supply relationships with these third parties, we may be unable to continue to develop or commercialize our product candidates.

We rely and will continue to rely on certain third parties, including those located outside the US, as our limited source of the materials they supply or the finished products they manufacture. In the ordinary course of business, we enter into agreements with contract manufacturers to manufacture our inventory products. For example, in October 2024, we entered into an agreement with a third-party contract manufacturer to manufacture TAVALISSE that is expected to be delivered starting in fiscal year 2026 through 2029. Although the agreement provides a cancellation clause with or without cause upon written notice, we may or may not be subject to payment of cancellation fees. The level of cancellation fees is generally dependent on the timing of the written notice in relation to the commencement date of work, with the maximum cancellation fees equal to the full price of the work order. The drug substances and other materials used in our product candidates are currently available only from one or a limited number of suppliers or manufacturers and certain of our finished product candidates are manufactured by one or a limited number of contract manufacturers. Any of these existing suppliers or manufacturers may:

- fail to supply us with product on a timely basis or in the requested amount due to unexpected damage to or

destruction of facilities or equipment or otherwise;

- fail to increase manufacturing capacity and produce drug product and components in larger quantities and at higher yields in a timely or cost-effective manner, or at all, to sufficiently meet our commercial needs;
- be unable to meet our production demands due to issues related to their reliance on sole-source suppliers and manufacturers;
- supply us with product that fails to meet regulatory requirements;
- become unavailable through business interruption or financial insolvency;
- lose regulatory status as an approved source;
- be unable or unwilling to renew current supply agreements when such agreements expire on a timely basis, on acceptable terms or at all; or
- discontinue production or manufacturing of necessary drug substances or products.

Our current and anticipated future dependence upon these third-party manufacturers may adversely affect our ability to develop and commercialize product candidates on a timely and competitive basis, which could have an adverse effect on sales, results of operations and financial condition. If we were required to transfer manufacturing processes to other third-party manufacturers and we were able to identify an alternative manufacturer, we would still need to satisfy various regulatory requirements. Satisfaction of these requirements could cause us to experience significant delays in receiving an adequate supply of our products and products in development and could be costly. Moreover, we may not be able to transfer processes that are proprietary to the manufacturer, if any. These manufacturers may not be able to produce material on a timely basis or manufacture material at the quality level or in the quantity required to meet our development timelines and applicable regulatory requirements and may also experience a shortage in qualified personnel. Certain of our third-party manufacturers are located outside of the US, and import materials from other countries including China to produce our products. The tensions between the US and other countries including China have led to a series of tariffs and sanctions being imposed on imports by the US, as well as other business restrictions. In response, other countries, notably China, have threatened or imposed tariffs or other trade sanctions on products manufactured in the US. Geopolitical developments, including changes arising as a result of the 2024 US presidential election, may lead to further developments with respect to the imposition or threat of imposition of trade policies, tariffs (including retaliatory tariffs), taxes and other limitations on cross-border operations. Such tensions could adversely impact us and our third-party manufacturers. We may not be able to maintain or renew our existing third-party manufacturing arrangements, or enter into new arrangements, on acceptable terms, or at all. Our third-party manufacturers could terminate or decline to renew our manufacturing arrangements based on their own business priorities, at a time that is costly or inconvenient for us. If we are unable to contract for the production of materials in sufficient quantity and of sufficient quality on acceptable terms, our planned clinical trials may be significantly delayed. Manufacturing delays could postpone the filing of our investigational new drug (IND) applications and/or the initiation or completion of clinical trials that we have currently planned or may plan in the future.

Drug manufacturers are subject to ongoing periodic unannounced inspection by the FDA, the Drug Enforcement Administration, the EMA, national competent authorities in the EU and UK and other federal and state government and regulatory agencies to ensure strict compliance with cGMP and other government regulations and corresponding foreign standards. We do not have control over third-party manufacturers' compliance with these regulations and standards and they may not be able to comply. Switching manufacturers may be difficult because the number of potential manufacturers is limited. It may be difficult or impossible for us to find a replacement manufacturer quickly on acceptable terms, or at all. Additionally, if we are required to enter into new supply arrangements, we may not be able to obtain approval from the FDA of any alternate supplier in a timely manner, or at all, which could delay or prevent the clinical development and commercialization of any related product candidates. Failure of our third-party manufacturers or us to comply with applicable regulations, whether due to the impacts of a global pandemic or otherwise, could result in sanctions being imposed on us, including fines, civil penalties, delays in or failure to grant marketing approval of our product candidates, injunctions, delays, suspension or withdrawal of approvals, license

revocation, seizures or recalls of products and compounds, operating restrictions and criminal prosecutions, warning or similar letters or civil, criminal or administrative sanctions against us, any of which could adversely affect our business.

Any product for which we have obtained regulatory approval, or for which we obtain approval in the future, is subject to, or will be subject to, extensive ongoing regulatory requirements by the FDA, EMA, MHRA and other comparable regulatory authorities, and if we fail to comply with regulatory requirements or if we experience unanticipated problems with our products, we may be subject to penalties, we may be unable to generate revenue from the sale of such products, our potential for generating positive cash flow will be diminished, and the capital necessary to fund our operations will be increased.

We commercialize our products in the US and we have entered into commercialization agreements with third parties to commercialize our products outside the US. Any product for which we have obtained regulatory approval, or for which we obtain regulatory approval in the future, along with the manufacturing processes and practices, post-approval clinical research, product labeling, advertising and promotional activities for such product, are subject to continual requirements of, and review by, the FDA, the EMA and other comparable international regulatory authorities. These requirements include submissions of safety and other post-marketing information and reports, registration and listing requirements, cGMP requirements relating to manufacturing, quality control, quality assurance and corresponding maintenance of records and documents, requirements regarding the distribution of samples to physicians, import and export requirements and recordkeeping. If we or our suppliers encounter manufacturing, quality or compliance difficulties with respect to our products or any of our product candidates, when and if approved, whether due to the impacts of a global pandemic (including as a result of disruptions of global shipping and the transport of products) or otherwise, we may be unable to obtain or maintain regulatory approval or meet commercial demand for such products, which could adversely affect our business, financial conditions, results of operations and growth prospects.

Promotional communications with respect to prescription drugs are subject to a variety of legal and regulatory restrictions and must be consistent with the information in the product's approved labeling. Thus, we will not be able to promote any products we develop for indications or uses for which they are not approved.

In addition, the FDA often requires post-marketing testing and surveillance to monitor the effects of products. The FDA, the EMA and other comparable international regulatory agencies may condition approval of our product candidates on the completion of such post-marketing clinical studies. These post-marketing studies may suggest that a product causes undesirable side effects or may present a risk to the patient. Additionally, the FDA may require REMS to help ensure that the benefits of the drug outweigh its risks. A REMS may be required to include various elements, such as a medication guide or patient package insert, a communication plan to educate healthcare providers of the drug's risks, limitations on who may prescribe or dispense the drug, requirements that patients enroll in a registry or undergo certain health evaluations or other measures that the FDA deems necessary to ensure the safe use of the drug.

Discovery after approval of previously unknown problems with any of our products, manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may result in actions such as:

- restrictions on our ability to conduct clinical trials, including full or partial clinical holds on ongoing or planned trials;
- restrictions on product manufacturing processes;
- restrictions on the marketing of a product;
- restrictions on product distribution;
- requirements to conduct post-marketing clinical trials;
- untitled or warning letters or other adverse publicity;
- withdrawal of products from the market;

- refusal to approve pending applications or supplements to approved applications that we submit;
- recall of products;
- refusal to permit the import or export of our products;
- product seizure;
- fines, restitution or disgorgement of profits or revenue;
- refusal to allow us to enter into supply contracts, including government contracts;
- injunctions; or
- imposition of civil or criminal penalties.

If such regulatory actions are taken, the value of our company and our operating results will be adversely affected. Additionally, if the FDA, the EMA or any other comparable international regulatory agency withdraws its approval of a product that is or may be approved, we will be unable to generate revenue from the sale of that product in the relevant jurisdiction, our potential for generating positive cash flow will be diminished and the capital necessary to fund our operations will be increased. Accordingly, we continue to expend significant time, money and effort in all areas of regulatory compliance, including manufacturing, production, product surveillance, post-marketing studies and quality control.

If any of our third-party contractors fail to perform their responsibilities to comply with FDA rules and regulations, the marketing and sales of our products could be delayed and we may be subject to enforcement action, which could decrease our revenues.

Conducting our business requires us to manage relationships with third-party contractors. As a result, our success depends partially on the success of these third parties in performing their responsibilities to comply with FDA rules and regulations. Although we pre-qualify our contractors and we believe that they are fully capable of performing their contractual obligations, we cannot directly control the adequacy and timeliness of the resources and expertise that they apply to these activities.

If any of our partners or contractors fail to perform their obligations in an adequate and timely manner, or fail to comply with the FDA's rules and regulations, then the marketing and sales of our products could be delayed. The FDA may also take enforcement actions against us based on compliance issues identified with our contractors. If any of these events occur, we may incur significant liabilities, which could decrease our revenues. For example, sales and medical science liaison or MSL personnel, including contractors, must comply with FDA requirements for the advertisement and promotion of products.

If we are unable to obtain regulatory approval to market products in the US and foreign jurisdictions, we will not be permitted to commercialize products we or our collaborative partners may develop.

We cannot predict whether regulatory clearance will be obtained for any product that we, or our collaborative partners, hope to develop. Satisfaction of regulatory requirements typically takes many years, is dependent upon the type, complexity and novelty of the product and requires the expenditure of substantial resources. Of particular significance to us are the requirements relating to research and development and testing.

Before commencing clinical trials in humans in the US, we, or our collaborative partners, will need to submit and receive approval from the FDA of an IND application. Clinical trials are subject to oversight by institutional review boards and the FDA and:

- must be conducted in conformance with the FDA's good clinical practices and other applicable regulations;

- must meet requirements for institutional review board oversight;
- must meet requirements for informed consent;
- are subject to continuing FDA and regulatory oversight;
- may require large numbers of test subjects; and
- may be suspended by us, our collaborators or the FDA at any time if it is believed that the subjects participating in these trials are being exposed to unacceptable health risks or if the FDA finds deficiencies in the IND or the conduct of these trials.

While we have stated that we intend to file additional INDs for future product candidates, this is only a statement of intent, and we may not be able to do so because we may not be able to identify potential product candidates. In addition, the FDA may not approve any IND we or our collaborative partners may submit in a timely manner, or at all.

Before receiving FDA approval to market a product, we must demonstrate with substantial clinical evidence that the product is safe and effective in the patient population and the indication that will be treated. Data obtained from preclinical and clinical activities are susceptible to varying interpretations that could delay, limit or prevent regulatory approvals. In addition, delays or rejections may be encountered based upon additional government regulation from future legislation or administrative action or changes in FDA policy during the period of product development, clinical trials and FDA regulatory review. Failure to comply with applicable FDA or other applicable regulatory requirements may result in criminal prosecution, civil penalties, recall or seizure of products, total or partial suspension of production or injunction, adverse publicity, as well as other regulatory action against our potential products or us. Additionally, we have limited experience in conducting and managing the clinical trials necessary to obtain regulatory approval.

If regulatory approval of a product is granted, this approval will be limited to those indications or disease states and conditions for which the product is demonstrated through clinical trials to be safe and efficacious. We cannot assure that any compound developed by us, alone or with others, will prove to be safe and efficacious in clinical trials and will meet all of the applicable regulatory requirements needed to receive marketing approval.

Outside the US, our ability, or that of our collaborative partners, to market a product is contingent upon receiving a marketing authorization from the appropriate regulatory authorities. This foreign regulatory approval process typically includes all of the risks and costs associated with FDA approval described above and may also include additional risks and costs, such as the risk that such foreign regulatory authorities, which often have different regulatory and clinical trial requirements, interpretations and guidance from the FDA, may require additional clinical trials or results for approval of a product candidate, any of which could result in delays, significant additional costs or failure to obtain such regulatory approval. There can be no assurance, however, that we or our collaborative partners will not have to provide additional information or analysis, or conduct additional clinical trials, before receiving approval to market product candidates.

We have orphan drug designations from the FDA but we may not be able to obtain additional orphan drug designations in the future, or maintain the orphan drug designations or exclusivity for the approved drugs for the treatment of respective indications, or we may be unable to maintain the benefits associated with orphan drug designations, including the potential for market exclusivity.

We have an orphan drug designation in the US for fostamatinib for the treatment of ITP and wAIHA, and for olutasidenib for the treatment of AML. Also, pralsetinib has an orphan drug designation in the US for the treatment of adult patients with metastatic RET fusion-positive NSCLC, for the treatment of advanced or metastatic RET fusion-positive thyroid cancer, and for the treatment of advanced or metastatic RET-mutant medullary thyroid carcinoma. In January 2025, the FDA granted R289 orphan drug designation for the treatment of myelodysplastic syndromes. We may also seek orphan drug designation for other product candidates in the future. Under the Orphan Drug Act, the FDA may grant orphan drug designation to a drug or biologic intended to treat a rare disease or condition, which is defined as one occurring in a patient population of fewer than 200,000 in the US, or a patient population greater than 200,000 in the US

where there is no reasonable expectation that the cost of developing the drug will be recovered from sales in the US. In the US, orphan drug designation entitles a party to financial incentives such as opportunities for grant funding towards clinical trial costs, tax advantages and user-fee waivers. In addition, if a product that has orphan drug designation subsequently receives the first FDA approval for the disease for which it has such designation, the product is entitled to orphan drug exclusivity, which means that the FDA may not approve any other applications, including a full NDA, to market the same drug for the same indication for seven years, except in limited circumstances, such as a showing of clinical superiority to the product with orphan drug exclusivity or where the manufacturer is unable to assure sufficient product quantity. At this time, we do not have nor will we seek to apply for orphan drug designation in the EU or the UK in the foreseeable future.

We cannot assure that any future application for orphan drug designation with respect to any other product candidate will be granted. If we are unable to obtain orphan drug designation with respect to other product candidates in the US, we will not be eligible to obtain the period of market exclusivity that could result from orphan drug designation or be afforded the financial incentives associated with orphan drug designation. Even though we have received orphan drug designation for fostamatinib for the treatment of ITP and wAIHA in the US, we may not be the first to obtain marketing approval for the orphan-designated indication due to the uncertainties associated with developing pharmaceutical products or we might not maintain our orphan drug designation. In addition, exclusive marketing rights in the US for fostamatinib for the treatment of ITP, wAIHA or any future product candidate may be limited if we seek approval for an indication broader than the orphan-designated indication or may be lost if the FDA later determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantities of the product to meet the needs of patients with the rare disease or condition. Further, even if we obtain orphan drug exclusivity for a product, that exclusivity may not effectively protect the product from competition because different drugs with different active moieties can be approved for the same condition. Even after an orphan product is approved, the FDA can subsequently approve the same drug with the same active moiety for the same condition if the FDA concludes that the later drug is safer, more effective, or makes a major contribution to patient care. Orphan drug designation neither shortens the development time or regulatory review time of a drug nor gives the drug any advantage in the regulatory review or approval process.

In addition, Congress is considering updates to the orphan drug provisions of the FDCA in response to a recent 11th Circuit decision. Any changes to the orphan drug provisions could change our opportunities for, or likelihood of success in obtaining, orphan drug exclusivity and would materially adversely affect our business, financial condition, results of operations, cash flows and prospects.

Risks Related to Commercialization

Our prospects are highly dependent on our commercial products. To the extent that the commercial success of our products in the US is diminished or is not commercially successful, our business, financial condition and results of operations may be adversely affected, and the price of our common stock may decline.

We are focusing a significant portion of our activities and resources on our products, and we believe our prospects are highly dependent on, and a significant portion of the value of our company relates to, our ability to sustain successful commercialization of our products in the US. We have also entered into exclusive commercialization agreements with third parties to commercialize our products outside the US, and we plan to further enter partnership with existing or other third parties to commercialize our products outside the US in the future.

Sustained successful commercialization of our products is subject to many risks and uncertainties, including the impact of a global pandemic on the successful commercialization in the US, as well as the successful commercialization efforts for our products through our collaborative partners. There are numerous examples of unsuccessful product launches and failures to meet high expectations of market potential, including by pharmaceutical companies with more experience and resources than us.

There are many factors that could cause the commercialization of our products to be unsuccessful, including a number of factors that are outside our control. The commercial success of our products depends on the extent to which patients and physicians accept and adopt our products to treat the related diseases. We also do not know how physicians, patients and payors will respond to our future price increases of our products. Physicians may not prescribe our products

and patients may be unwilling to use our products if coverage is not provided or reimbursement is inadequate to cover a significant portion of the cost. Our products compete, and may in the future compete, with currently existing therapies, including generic drugs, and products currently under development. Our competitors, particularly large pharmaceutical companies, may deploy more resources to market, sell and distribute their products. If our efforts are not appropriately resourced to adequately promote our products, the commercial potential of our sales may be diminished. Additionally, any negative development for our products in clinical development in additional indications may adversely impact the commercialization and potential of our products. Thus, significant uncertainty remains regarding the commercial potential of our products.

Market acceptance of our products will depend on a number of factors, including:

- the timing of market introduction of the product as well as competitive products;
- the clinical indications for which the product is approved;
- acceptance by physicians, the medical community and patients of the product as a safe and effective treatment;
- potential future impacts, if any, due to the effects of a global pandemic and the global tensions arising from the Russian-Ukrainian war and Hamas-Israel war;
- the ability to distinguish safety and efficacy from existing, less expensive generic alternative therapies, if any;
- the convenience of prescribing, administrating and initiating patients on the product and the length of time the patient is on the product;
- the potential and perceived value and advantages of the product over alternative treatments;
- the cost of treatment in relation to alternative treatments, including any similar generic treatments;
- pricing and the availability of coverage and adequate reimbursement by third-party payors and government authorities;
- a positive HTA concluding that the product is cost-effective and the HTA bodies issuing a positive recommendation for the use of the product as a first or second line of treatment for the granted therapeutic indication;
- the prevalence and severity of adverse side effects; and
- the effectiveness of sales and marketing efforts.

If we are unable to sustain anticipated level of sales growth from our products, or if we fail to achieve anticipated product royalties and collaboration milestones, we may need to reduce our operating expenses, access other sources of cash or otherwise modify our business plans, which could have a negative impact on our business, financial condition and results of operations. For example, during 2021, we experienced lower than anticipated sales of our products due to continuing impacts of physician and patient access issues created by the COVID-19 pandemic. From time to time, our net product sales are negatively impacted by the decrease in level of inventories remaining at our distribution channels.

We also may not be successful entering into arrangements with third parties to sell and market one or more of our product candidates or may be unable to do so on terms that are favorable to us. We likely will have little control over such third parties, including development and commercialization of fostamatinib in Kissei, Grifols, Medison and Knight's territories, and of olutasidenib in Kissei and Dr. Reddy's territories. As a consequence of our license

agreements with our collaboration partners, we rely heavily upon their regulatory, commercial, medical affairs, market access and other expertise and resources for commercialization of our products in their respective territories outside of the US. We cannot control the amount of resources that our partners dedicate to the commercialization of our products, and our ability to generate revenues from the commercialization of our products by our partners depends on their ability to achieve market acceptance of our products in its approved indications in their respective territories.

Furthermore, foreign sales of our products by our partners could be adversely affected by the imposition of governmental controls, political and economic instability, outbreaks of pandemic diseases, such as the COVID-19 pandemic, trade restrictions or barriers and changes in tariffs and escalating global trade and political tensions. If our collaborators are unable to successfully complete clinical trials, delay commercialization of our products or do not invest the resources necessary to successfully commercialize our products in international territories where it has been approved, this could reduce the amount of revenue we are due to receive under these license agreements, resulting in harm to our business and operations. If we do not establish and maintain sales and marketing capabilities successfully, either on our own or in collaboration with third parties, we will not be successful in commercializing our product candidates.

Even if we, or any of our collaborative partners, are able to continue to commercialize our products or any product candidate that we, or they, develop, the product may become subject to unfavorable pricing regulations, third-party payor reimbursement practices or labeling restrictions, all of which may vary from country to country and any of which could harm our business.

The commercial success of any product for which we have obtained regulatory approval, or for which we may obtain regulatory approval in the future will depend substantially on the extent to which the costs of our product or product candidates are or will be paid by third-party payors, including government healthcare programs and private health insurers. There is a significant trend in the healthcare industry by public and private payors to contain or reduce their costs, including by taking the following steps, among others: decreasing the portion of costs payors will cover, ceasing to provide full payment for certain products depending on outcomes, and/or not covering certain products at all. If payors implement any of the foregoing with respect to our products, it would have an adverse impact on our revenue and results of operations. If coverage is not available, or reimbursement is limited, we, or any of our collaborative partners, may not be able to successfully commercialize our products or any of our product candidates in some jurisdictions. Even if coverage is provided, the approved reimbursement amount may not be at a rate that covers our costs, including research, development, manufacture, sale and distribution. In the US, no uniform policy of coverage and reimbursement for products exists among third-party payors; therefore, coverage and reimbursement levels for products can differ significantly from payor to payor. As a result, the coverage determination process is often a time consuming and costly process that may require us to provide scientific, clinical or other support for the use of our products to each payor separately, with no assurance that coverage and adequate reimbursement will be applied consistently or obtained in the first instance.

There is significant uncertainty related to third-party payor coverage and reimbursement of newly approved drugs. Marketing approvals, pricing and reimbursement for new drug products vary widely from country to country. Some countries require approval of the sale price of a drug before it can be marketed, which could delay market entry (or, if pricing is not approved, we may be unable to sell at all in a country where we have received regulatory approval for a product. In many countries, the pricing review period begins after marketing or product licensing approval is granted. In some countries, the proposed pricing for a drug must be approved before it may be lawfully marketed). In addition, authorities in some countries impose additional obligations, such as HTAs, which assess the performance of a drug in comparison with its cost. The outcome of HTA assessments is judged on a national basis and some payors may not reimburse the use of our products or may reduce the rate of reimbursement for our products and as a result, revenue from such products may decrease.

On January 12, 2025, the new HTA Regulation, Regulation No 2021/2282 on Health Technology Assessment (HTA Regulation) started applying to new cancer medicines and advanced therapy medicinal products, and imposes a new procedure for the assessment of the pricing and reimbursement of medicinal products. The HTA Regulation intends to foster cooperation among EU member states in assessing health technologies and provide a procedure for joint clinical assessments of medicinal products at a centralized level. It requires companies applying for products in scope to make relevant submissions for the joint clinical assessment, in line with a number of prespecified criteria. By 2030 it will

apply to all medicinal products.

In some foreign markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. As a result, we, or any of our collaborative partners, might obtain marketing approval for a product in a particular country, but then be subject to price regulations that delay commercial launch of the product, possibly for lengthy time periods, which may negatively impact the revenues we are able to generate from the sale of the product in that country. In particular, we cannot predict to what extent the effects of a global pandemic, depending on its scale and duration, may disrupt global healthcare systems and access to our products or result in a widespread loss of individual health insurance coverage due to unemployment, a shift from commercial payor coverage to government payor coverage, or an increase in demand for patient assistance and/or free drug programs, any of which would adversely affect access to and demand for our products and our net sales. Adverse pricing limitations may also hinder our ability or the ability of any future collaborators to recoup our or their investment in one or more product candidates, even if our product candidates obtain marketing approval. Further, even if favorable coverage and reimbursement status is attained for one or more products for which we or our collaborative partners receive regulatory approval, less favorable coverage policies and reimbursement rates may be implemented in the future.

Patients who are provided medical treatment for their conditions generally rely on third-party payors to reimburse all or part of the costs associated with their treatment. Therefore, our ability, and the ability of any of our collaborative partners, to successfully commercialize our products or any of our product candidates will depend in part on the extent to which coverage and adequate reimbursement for these products and related treatments will be available from third-party payors.

Additionally, the labeling ultimately approved for any of our product candidates for which we have or may obtain regulatory approval may include restrictions on their uses and may be subject to ongoing FDA or international regulatory authority requirements governing the labeling, packaging, storage, distribution, safety surveillance, advertising, promotion, record-keeping and reporting of safety and other post-market information. If we or any of our collaborative partners do not timely obtain or comply with the labeling approval by the FDA or international regulatory authorities on any of our product candidates, it may delay or inhibit our ability to successfully commercialize our products and generate revenues.

If we are unable to successfully market and distribute our products and retain experienced commercial personnel, our business will be substantially harmed.

We continuously expend significant time and resources to maintain a sales force that is credible and compliant with applicable laws in marketing our products. In addition, we must continually train our sales force to ensure that an appropriate and compliant message about our products is being delivered. If we are unable to effectively train our sales force and equip them with compliant and effective materials, including medical and sales literature to help them appropriately inform and educate healthcare providers regarding the potential benefits and proper administration of our products, our efforts to successfully commercialize our products could be put in jeopardy, which would negatively impact our ability to generate product revenues.

We have established our distribution, sales, marketing and market access capabilities, all of which will be necessary to successfully commercialize our products. As a result, we will be required to expend significant time and resources to market, sell, and distribute our products to hematologists and hematologist-oncologists. There is no guarantee that the marketing strategies we have developed, or the distribution, sales, marketing and market access capabilities that we have developed will be successful. Particularly, we are dependent on third-party logistics, specialty pharmacies and distribution partners in the distribution of our products. If they are unable to perform effectively or if they do not provide efficient distribution of the medicine to patients, our business may be harmed.

Maintaining our sales, marketing, market access and product distribution capabilities requires significant resources, and there are numerous risks involved with managing our commercial team, including our potential inability to successfully train, retain and incentivize adequate numbers of qualified and effective sales and marketing personnel. We are also competing for talent with numerous commercial and pre-commercial-stage oncology-focused biotechnology companies seeking to build out their commercial organizations, as well as other large pharmaceutical organizations that have extensive, well-funded and more experienced sales and marketing operations, and we may be unable to maintain or

adequately scale our commercial organization as a result of such competition. If we cannot maintain effective sales, marketing, market access, and product distribution capabilities, we may be unable to realize the commercial potential of our products. Also, to the extent that the commercial opportunities for our products grow over time, we may not properly judge the requisite size and experience of our current commercialization teams or the level of distribution necessary to market and sell our products, which could have an adverse impact on our business, financial condition and results of operations.

We may not be able to successfully develop or commercialize our product candidates if problems arise in the clinical testing and approval process.

The activities associated with the research, development and commercialization of our products and other product candidates in our pipeline must undergo extensive clinical trials, which can take many years and require substantial expenditures, subject to extensive regulation by the FDA and other regulatory agencies in the US and by comparable authorities in other countries. The process of obtaining regulatory approvals in the US and other foreign jurisdictions is expensive, and lengthy, if approval is obtained at all.

Our clinical trials may fail to produce results satisfactory to the FDA or regulatory authorities in other jurisdictions. The regulatory process also requires preclinical testing, and data obtained from preclinical and clinical activities are susceptible to varying interpretations. The FDA has substantial discretion in the approval process and may refuse to approve any NDA or sNDA and decide that our data is insufficient for approval and require additional preclinical, clinical or other studies. Varying interpretations of the data obtained from preclinical and clinical testing could delay, limit or prevent regulatory approval of our products for any individual, additional indications. For example, in June 2022, we announced that the top-line results from our Phase 3 trial in wAIHA did not demonstrate statistical significance in the primary efficacy endpoint of durable hemoglobin response in the overall study population. While we conducted an in-depth analysis of these data to better understand differences in patient characteristics and outcomes and submitted these findings to the FDA, in October 2022, we announced that we received guidance from the FDA of these findings. Based on the result of the trial and the guidance from the FDA, we did not file an sNDA for wAIHA.

It is also possible that we could experience delays in the timing of our interactions with regulatory authorities due to absenteeism by governmental employees or the diversion of regulatory authority efforts and attention to approval of other therapeutics, or other public health emergencies including a global pandemic, which could delay or limit our ability to make planned regulatory submissions or develop and commercialize our product candidates on anticipated timelines.

In addition, delays or rejections may be encountered based upon changes in regulatory policy for product approval during the period of product development and regulatory agency review, which may cause delays in the approval or rejection of an application for our products or for our other product candidates.

Commercialization of our product candidates depends upon successful completion of extensive preclinical studies and clinical trials to demonstrate their safety and efficacy for humans. Preclinical testing and clinical development are long, expensive and uncertain processes.

In connection with clinical trials of our product candidates, we may face the following risks among others:

- the product candidate may not prove to be effective;
- the product candidate may cause harmful side effects;
- the clinical results may not replicate the results of earlier, smaller trials;
- we or third parties with whom we collaborate, may be significantly impacted by force majeure events;
- we, or the FDA or similar foreign regulatory authorities, may delay, terminate or suspend the trials;
- our results may not be statistically significant;

- patient recruitment and enrollment may be slower than expected;
- patients may drop out of the trials or otherwise not enroll; and
- regulatory and clinical trial requirements, interpretations or guidance may change.

We do not know whether we will be permitted to undertake clinical trials of potential products beyond the trials already concluded and the trials currently in process. It will take us or our collaborative partners several years to complete any such testing, and failure can occur at any stage of testing. Interim results of trials do not necessarily predict final results, and acceptable results in early trials may not be repeated in later trials. A number of companies in the pharmaceutical industry, including biotechnology companies, have suffered significant setbacks in advanced clinical trials, even after achieving promising results in earlier trials.

Further, evolving FDA standards may cause additional setbacks. In 2023, FDA published guidance documents and a final rule which all concern clinical trial requirements. In June 2023, FDA published a draft guidance, E6(R3) Good Clinical Practice, which seeks to unify standards for clinical trial data for the International Council for Harmonisation of Technical Requirements of Pharmaceuticals for Human Use member countries and regions. In August 2023, FDA published a guidance document, Informed Consent, Guidance for IRBs, Clinical Investigators, and Sponsors, which supersedes past guidance and finalizes draft guidance on informed consent. Further, in December 2023, FDA published a final rule, Institutional Review Board Waiver or Alteration of Informed Consent for Minimal Risk Clinical Investigations, which allows exceptions from informed consent requirements when a clinical investigation poses no more than minimal risk to the human subject and includes appropriate safeguards to protect the rights, safety, and welfare of human subjects.

Alterations to clinical trial requirements, including due to judicial challenges, may affect recruitment and retention of patients and may hinder or delay a clinical trial. Further, changes to data requirements may cause FDA or comparable foreign regulatory authorities to disagree with data from preclinical studies or clinical trials, and may require further studies. Changes to trial requirements or trial data may increase costs and delay product development.

General Risk Factors

Global economic conditions could adversely impact our business.

Deterioration in the macroeconomic economy could lead to losses or defaults by our customers or suppliers, which in turn, could have a material adverse effect on our current and/or projected business operations and results of operations and financial condition. The global financial markets and economy are currently, and have from time to time experienced extreme volatility and disruptions, including severely diminished liquidity and credit availability, rising interest and inflation rates, declines in consumer confidence, declines in economic growth, increases in unemployment rates and uncertainty about economic stability.

Any significant deterioration in the US economy would likely affect the operation of our business and ability to raise capital. In addition, US debt ceiling and budget deficit concerns have increased the possibility of additional credit-rating downgrades and economic slowdowns, or a recession in the US. Although US lawmakers passed legislation to raise the federal debt ceiling on multiple occasions, ratings agencies have lowered or threatened to lower the long-term sovereign credit rating on the US. The impact of this or any further downgrades to the US government's sovereign credit rating or its perceived creditworthiness could adversely affect the US and global financial markets and economic conditions.

The global financial markets and economy may also be adversely affected by the current or anticipated impact of military conflict, including the ongoing Russian-Ukrainian war, and the Hamas-Israel war, terrorism or other geopolitical events. Sanctions imposed by the US and other countries in response to such conflicts, including the Russian-Ukrainian war and the Hamas-Israel war, may also adversely impact the financial markets and the global economy, and any economic countermeasures by the affected countries or others could exacerbate market and economic instability.

The US government has indicated its intent to alter its approach to international trade policy and in some cases to renegotiate, or potentially terminate, certain existing bilateral or multi-lateral trade agreements and treaties with foreign countries. In addition, the US government has initiated tariffs on certain foreign goods. Related to this action, certain foreign governments have instituted tariffs on certain US goods. It remains unclear what the US Administration or foreign governments will or will not do with respect to tariffs or other international trade agreements and policies. A trade war or other governmental action related to tariffs or international trade agreements or policies has the potential to disrupt our research activities, affect our suppliers and/or the US or global economy or certain sectors thereof and, thus, could adversely impact our businesses.

Bank failures or other events affecting financial institutions could adversely impact our liquidity and other business.

Financial institutions have recently experienced, and may experience in the future, industry instability and failures which have led to disruptions in access to bank deposits or lending commitments. In 2023, the closures of Silicon Valley Bank (SVB) and Signature Bank and their placement into receivership with the Federal Deposit Insurance Corporation (FDIC), as well as the FDIC's seizure and sale of First Republic Bank, created bank-specific and broader financial institution liquidity risk and concerns. On March 12, 2023, federal regulators announced that the FDIC would complete its resolution of SVB in a manner that fully protects all depositors. On March 27, 2023, First Citizens Bank (FCB) announced that it has entered into an agreement with FDIC to purchase all of the asset and liabilities of SVB. Customers of SVB automatically become customers of FCB following the acquisition.

We maintain a depository relationship with SVB/FCB and other banking institutions. All of our cash deposits are accessible to us, and we do not anticipate any losses with respect to such funds. Since the March 2023 financial institution failure, there has been a heightened risk and greater focus on the potential failures of other banks in the future. If these banks fail in the future, we may not be able to immediately (or ever) recover our cash in excess of the FDIC insured limits which would adversely impact our operating liquidity and could negatively impact our operations, results of operations and financial performance. Although we believe our exposure is limited, if in the future any of the financial institutions that we maintain depository or lending relationships were to be placed into receivership, we may be unable to access such funds to meet our working capital requirements. In addition, if any of our customers, suppliers or other parties with whom we conduct business are unable to access funds, such parties' ability to pay their obligations to us or to enter into new commercial arrangements requiring additional payments to us could be adversely affected. Although we assess our banking and customer relationships as we believe necessary or appropriate, our access to funding sources and other credit arrangements in amounts adequate to finance or capitalize our current and projected future business operations could be significantly impacted by factors that affect us, the financial institutions with which we have credit agreement or arrangements directly, or the financial services industry or economy in general.

Shareholder activism and private securities-related litigation could cause material disruption to our business.

Publicly traded companies have increasingly become subject to campaigns by our stakeholders, including investors, and more recently regulatory organizations advocating corporate actions such as actions related to Environmental Social Governance (ESG) matters, impacts of climate change, financial restructuring, increased borrowing, dividends, share repurchases and even sales of assets or the entire company. Responding to proxy contests and other actions by such activist investors or others in the future could be costly and time-consuming, disrupt our operations and divert the attention of our Board of Directors and senior management from the pursuit of our business strategies, which could adversely affect our results of operations and financial condition.

There is a growing emphasis from select investors, regulators, and other stakeholders on corporate responsibility, particularly regarding ESG factors. Some investors and advocacy groups utilize these factors to shape investment strategies, potentially opting out of investing in our company if they perceive our corporate responsibility policies as insufficient. Third-party providers offering corporate responsibility ratings and reports have surged to meet rising investor demand, with numerous organizations evaluating companies on ESG matters, and these evaluations receive widespread attention. A low ESG or sustainability rating from such providers could lead certain investors to overlook our common stock in favor of competitors. Institutional investors, in particular, use these ratings to compare companies, and any perceived lag in our ESG efforts might prompt voting decisions or other actions to hold our Board of Directors accountable. Furthermore, evolving assessment criteria for corporate responsibility practices may raise expectations, compelling us to undertake costly initiatives to meet new standards. Failure to meet these evolving criteria

could reinforce the perception of inadequate corporate responsibility policies. Non-compliance could also lead to reputational damage if our procedures or standards fall short of stakeholder expectations.

Securities-related class action lawsuits and/or derivative lawsuits have often been brought against companies, including biotechnology and biopharmaceutical companies, that experience volatility in the market price of their securities. It is possible that such lawsuit will be filed, or allegations from stockholders with this matter. Such lawsuits and any other related lawsuits are subject to inherent uncertainties, and the actual defense and disposition costs will depend upon many unknown factors. The outcome of such lawsuits is necessarily uncertain. We could be forced to expend significant resources in the defense of the pending lawsuits and any additional lawsuits, and we may not prevail.

Anti-takeover provisions in our charter documents and under Delaware law may make an acquisition of us, which may be beneficial to our stockholders, more difficult.

Provisions of our Amended and Restated Certificate of Incorporation and our Amended and Restated Bylaws (our Bylaws), as well as provisions of Delaware law, could make it more difficult for a third party to acquire us, even if doing so would benefit our stockholders. These provisions:

- establish that members of our Board of Directors may be removed only for cause upon the affirmative vote of stockholders owning a majority of our capital stock;
- authorize the issuance of "blank check" preferred stock that could be issued by our Board of Directors to increase the number of outstanding shares and thwart a takeover attempt;
- limit who may call a special meeting of stockholders;
- prohibit stockholder action by written consent, thereby requiring all stockholder actions to be taken at a meeting of our stockholders;
- establish advance notice requirements for nominations for election to our Board of Directors or for proposing matters that can be acted upon at stockholder meetings;
- provide for staggered terms for our Board of Directors; and
- provide that the authorized number of directors may be changed only by a resolution of our Board of Directors.

In addition, Section 203 of the Delaware General Corporation Law (DGCL), which imposes certain restrictions relating to transactions with major stockholders, may discourage, delay or prevent a third party from acquiring us.

Our Bylaws designate a state or federal court located within the State of Delaware as the sole and exclusive forum for substantially all disputes between us and our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our current or former directors, officers, stockholders, or other employees.

Our Bylaws provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of us under Delaware law, (ii) any action asserting a claim of breach of a fiduciary duty by any current or former director, officer, or other employee of ours that is owed to us or our stockholders, (iii) any action asserting a claim against us or any of our directors, officers, or other employees arising pursuant to any provision of the DGCL or our Amended and Restated Certificate of Incorporation and our Bylaws (as either may be amended from time to time), (iv) any action asserting a claim against us governed by the internal affairs doctrine, or (v) any other action asserting an "internal corporate claim," as defined under Section 115 of the DGCL. The forgoing provisions do not apply to any claims arising under the Securities Act and, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States will be the sole and exclusive forum for resolving any action asserting a claim

arising under the Securities Act.

These choice of forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our current or former directors, officers, or other employees, which may discourage lawsuits with respect to such claims. There is uncertainty as to whether a court would enforce such provisions, and the enforceability of similar choice of forum provisions in other companies' charter documents has been challenged in legal proceedings. It is possible that a court could find these types of provisions to be inapplicable or unenforceable, and if a court were to find the choice of forum provision to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, results of operations, and financial condition.

Increasing use of social media could give rise to liability and may harm our business.

We and our employees are increasingly utilizing social media tools and our website as a means of communication. Despite our efforts to monitor evolving social media communication guidelines and comply with applicable laws, regulations and national and EU codes of conduct, there is risk that the unauthorized use of social media by us or our employees to communicate about our products or business, sharing of publications in unintended audiences in other jurisdictions, or any inadvertent promotional activity or disclosure of material, nonpublic information through these means, may cause us to be found in violation of applicable laws and regulations, which may give rise to liability and result in harm to our business. In addition, there is also risk of inappropriate disclosure of sensitive information, which could result in significant legal and financial exposure and reputational damages that could potentially have an adverse impact on our business, financial condition and results of operations. Furthermore, negative posts or comments about us or our products on social media could seriously damage our reputation, brand image and goodwill.

Our future success depends on our ability to attract and retain key employees and relationships.

We are highly dependent on the commercial, research and development, clinical, business development, financial and legal expertise of our executive officers, as well as the other principal members of our management. We expect to continue hiring and retaining qualified personnel which is critical to our success. Replacing key employees and executive officers may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to successfully develop, gain regulatory approval of and commercialize drugs. Competition to hire from this limited pool is intense, and we may be unable to hire, train, retain or motivate these key personnel on acceptable terms given the competition among numerous pharmaceutical and biotechnology companies for similar personnel. In particular, our research programs depend on our ability to attract and retain highly skilled chemists, other scientists, and development, regulatory and clinical personnel. If we lose the services of any of our key personnel, our research and development efforts could be seriously and adversely affected. Our employees can terminate their employment with us at any time.

Our facilities are located near known earthquake fault zones, and the occurrence of an earthquake or other catastrophic disaster could cause damage to our facilities and equipment, which could require us to cease or curtail operations.

Our facilities are located in the San Francisco Bay Area near known earthquake fault zones and are vulnerable to significant damage from earthquakes. We are also vulnerable to damage from other types of disasters, including fires, floods, power loss, communications failures and similar events. If any disaster were to occur, our ability to operate our business at our facilities would be seriously, or potentially completely, impaired, and our research could be lost or destroyed. In addition, the unique nature of our research activities and of much of our equipment could make it difficult for us to recover from a disaster. The insurance we maintain may not be adequate to cover our losses resulting from disasters or other business interruptions.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Securities Trading Plans of Directors and Executive Officers

During the three months ended September 30, 2025, none of our directors or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement" as defined in Item 408 of Regulation S-K under the Securities Exchange Act of 1934, as amended.

Item 6. Exhibits

The exhibits listed on the accompanying index to exhibits are filed or incorporated by reference (as stated therein) as part of this Quarterly Report on Form 10-Q.

Exhibit Number	Description of Document
3.1	Amended and Restated Certificate of Incorporation (filed as an exhibit to Rigel's Current Report on Form 8-K, dated June 24, 2003 and incorporated herein by reference).
3.2	Amended and Restated Bylaws (filed as an exhibit to Rigel's Current Report on Form 8-K, dated November 3, 2022 and incorporated herein by reference).
3.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation (filed as an exhibit to Rigel's Current Report on Form 8-K, dated May 29, 2012 and incorporated herein by reference).
3.4	Certificate of Amendment to the Amended and Restated Certificate of Incorporation (filed as an exhibit to Rigel's Current Report on Form 8-K, dated May 18, 2018 and incorporated herein by reference).
3.5	Certificate of Amendment to the Amended and Restated Certificate of Incorporation (filed as an exhibit to Rigel's Current Report on Form 8-K, dated June 27, 2024 and incorporated herein by reference).
4.1	Form of warrant to purchase shares of common stock (filed as an exhibit to Rigel's Registration Statement on Form S-1, filed on September 15, 2000, as amended and incorporated herein by reference).
4.2	Specimen Common Stock Certificate (filed as an exhibit to Rigel's Current Report on Form 8-K dated June 24, 2003 and incorporated herein by reference).
10.1	Rigel Pharmaceuticals, Inc. Inducement Plan, as amended (filed as an exhibit to Rigel's Quarterly Report on Form 10-Q for the quarter ended June 30, 2025 file on August 5, 2025 and incorporated herein by reference).
10.2#	First Amendment to Lease Agreement with 611 Gateway Center LP, dated August 20, 2025.
10.3#^	Amendment No. 3 to the License and Collaboration Agreement with Eli Lilly and Company, dated August 28, 2025.
31.1#	Certification required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act.
31.2#	Certification required by Rule 13a-14(a) or Rule 15d-14(a) of the Exchange Act.
32.1#*	Certification required by Rule 13a-14(b) or Rule 15d-14(b) of the Exchange Act and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. 1350).
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

Filed herewith.

+ Indicates a management contract or compensatory plan or arrangement.

^ Certain marked information has been omitted from this exhibit because it is both not material and is the type that the registrant treats as private and confidential.

* *The certifications attached as Exhibit 32.1 accompany this Quarterly Report on Form 10-Q pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, and shall not be deemed "filed" by the registrant for purposes of Section 18 of the Exchange Act.*

SIGNATURES

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

RIGEL PHARMACEUTICALS, INC.

By: /s/ RAUL R. RODRIGUEZ
Raul R. Rodriguez
Chief Executive Officer
(Principal Executive Officer)

Date: November 4, 2025

By: /s/ DEAN L. SCHORNO
Dean L. Schorno
Chief Financial Officer
(Principal Financial Officer)

Date: November 4, 2025

Exhibit 10.2

FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT (this "**First Amendment**") is made as of August 20, 2025, but made retroactively effective as of February 25, 2025 (the "**First Amendment Effective Date**"), by and between **611 GATEWAY CENTER LP**, a Delaware limited partnership ("**Landlord**"), and **RIGEL PHARMACEUTICALS, INC.**, a Delaware corporation ("**Tenant**").

RECITALS

A. Landlord and Tenant are parties to that certain Lease Agreement dated as of February 25, 2025 (the "**Lease**"). Pursuant to the Lease, Tenant leases certain premises containing approximately 13,670 rentable square feet, commonly known as Suite 900, in that certain building located at 611 Gateway Boulevard, South San Francisco, California, as more particularly described in the Lease. Capitalized terms used herein without definition shall have the meanings defined for such terms in the Lease.

B. Landlord and Tenant desire to amend the Lease to correct certain clerical errors relating to the rentable square footages of the Building and the Project.

NOW, THEREFORE, Landlord and Tenant hereby agree as follows:

1. **Recitals**. The foregoing recitals are hereby incorporated into this First Amendment.

2. **Definitions**. The definitions of "**Rentable Area of Building**," "**Rentable Area of Project**," "**Tenant's Share of Operating Expenses of Building**," and "**Building's Share of Operating Expenses of Project**" set forth in the Basic Lease Provisions on page 1 of the Lease are hereby deleted in their entirety and replaced with the following:

"**Rentable Area of Building:** 258,337 sq. ft."

"**Rentable Area of Project:** 1,350,434 sq. ft."

"**Tenant's Share of Operating Expenses of Building:** 5.29%"

"**Building's Share of Operating Expenses of Project:** 19.13%"

3. **Miscellaneous**.

a. This First Amendment may be executed in 2 or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature process complying with the U.S. federal ESIGN Act of 2000) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes. Electronic signatures shall be deemed original signatures for purposes of this First Amendment and all matters related thereto, with such electronic signatures having the same legal effect as original signatures.

b. Except as modified by this First Amendment, all other terms and conditions of the Lease shall remain in full force and effect. In the event of a conflict between the terms of this First Amendment and the terms of the Lease, the terms of this First Amendment shall control.

[Signatures are on the next page.]

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the First Amendment Effective Date.

TENANT:

RIGEL PHARMACEUTICALS, INC.,
a Delaware corporation

By: /s/ Jamie Plato
Name: Jamie Plato
Its: Associate General Counsel

□ I hereby certify that the signature, name,
and title above are my signature, name and title

LANDLORD:

611 GATEWAY CENTER LP,
a Delaware limited partnership

By: Gateway Center GP LLC,
a Delaware limited liability company,
general partner

By: Gateway Portfolio Member LLC,
a Delaware limited liability company,
managing member

By: Gateway Portfolio Holdings LLC,
a Delaware limited liability company,
managing member

By: ARE-San Francisco No. 83, LLC,
a Delaware limited liability company,
managing member

By: Alexandria Real Estate Equities, L.P.,
a Delaware limited partnership,
managing member

By: ARE-QRS Corp.,
a Maryland corporation,
general partner

By: /s/ Kristen Childs
Name: Kristen Childs
Its: Senior Vice President
Real Estate Legal Affairs

CERTAIN CONFIDENTIAL INFORMATION CONTAINED IN THIS DOCUMENT, MARKED BY [**], HAS BEEN OMITTED BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.

AMENDMENT NO. 3 TO THE LICENSE AND COLLABORATION AGREEMENT

This Amendment No. 3 to the License and Collaboration Agreement by and between **RIGEL PHARMACEUTICALS, INC.** ("**Rigel**"), and **ELI LILLY AND COMPANY** ("**Lilly**"), is made and entered into as of the last signature to this Amendment No. 3 (the "**Amendment No. 3 Effective Date**"). Rigel and Lilly are each sometimes referred to individually as a "Party" and collectively as the "Parties."

WHEREAS, Rigel and Lilly entered into the License and Collaboration Agreement effective February 18, 2021, as amended September 28, 2023, and as further amended March 11, 2024 (the "**Agreement**"), and

WHEREAS, Rigel and Lilly desire to amend certain provisions in Article 3 and Article 8 of the Agreement [***].

NOW THEREFORE, in consideration of the premises and of the covenants contained herein and, in the Agreement, the Parties hereto mutually agree to the following:

AGREEMENT

A) Section 3.4(b)(iv) of the Agreement is hereby deleted and replaced in its entirety with the following:

In the case of Rigel Rxxx Continuation or Lilly Rxxx Continuation, not later than [***], Rigel (in the case of Rigel Rxxx Continuation) or Lilly (in the case of Lilly Rxxx Continuation) shall provide the other Party, through the JSC, with a data package containing the results generated in connection with such Rigel Rxxx Continuation or Lilly Rxxx Continuation, as the case may be (the "**Rxxx Continuation Data Package**"). Within [***] after receipt of the Rxxx Continuation Data Package (such period, the "**Secondary Rxxx Election Period**"), Lilly may elect Rxxx Acceptance by giving Rigel an Rxxx Acceptance Notice. If, as of Rxxx Acceptance, Rxxx has not been designated pursuant to Section 3.4(a) (CNS Penetrant Lead Identification) or the JSC thereafter decides to designate an alternative RIP1 Inhibitor as Rxxx, then the JSC shall designate a RIP1 Inhibitor as Rxxx for purposes of this Agreement in connection with such Rxxx Acceptance.

B) Section 3.4(c)(i) of the Agreement is hereby deleted and replaced in its entirety with the following:

Following a Lilly Rxxx Continuation, during the period beginning on such Lilly Rxxx Continuation until [***], Lilly shall use Commercially Reasonable Efforts to conduct the activities allocated to Lilly under the CNS Penetrant Development Plan with respect to the Development of CNS Penetrants up through completion of the first GLP toxicology study for Rxxx.

C) Section 8.2(b) of the Agreement is hereby deleted and replaced in its entirety with the following:

(b) CNS Penetrant Products.

(i) Lilly shall make the following [***] milestone payment to Rigel for [***] CNS Penetrant Product

which the corresponding milestone has been met:

Milestone Event	***Milestone Payment***
[***]	[***]

[***]

(ii) Lilly shall make each of the following milestone payments to Rigel for each CNS Penetrant Product to achieve the corresponding milestone event for the applicable Indication for which such milestone event has been met.

Milestone Event	***Milestone Payment***
[***]	
[***]	$[***]
[***]	$[***]
[***]	$[***]
[***]	$[***]
[***]	$[***]
[***]	$[***]
[***]	
[***]	$[***]
[***]	$[***]
[***]	$[***]
[***]	$[***]
[***]	$[***]

E) Unless as specifically modified by this Amendment No. 3, all other terms and conditions of the Agreement shall continue in full force and effect. Capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement. Unless specified to the contrary, references to Articles and Sections mean the Articles or Sections of the Agreement (and not this Amendment No. 3).

G) This Amendment No. 3 may be executed in counterparts, each of which shall be deemed original, but all of which will constitute one and the same instrument.

[Signature page to follow]

IN WITNESS WHEREOF, the Parties have executed this Amendment No. 3 as of the Amendment No. 3 Effective Date.

Rigel Pharmaceuticals, Inc.	**Eli Lilly and Company**
By: /s/ Raymond J. Furey Name: Raymond J. Furey Title: Executive Vice President, General Counsel and Corporate Secretary	By: /s/ David A. Ricks Name: David A. Ricks Title: Chair and Chief Executive Officer
Date: August 28, 2025	Date: August 26, 2025

Exhibit 31.1

CERTIFICATION

I, Raul R. Rodriguez, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Rigel Pharmaceuticals, 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) 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

   d) 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.

Date: November 4, 2025

/s/ RAUL R. RODRIGUEZ
Raul R. Rodriguez
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Dean L. Schorno, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Rigel Pharmaceuticals, 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) 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

   d) 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.

Date: November 4, 2025

/s/ DEAN L. SCHORNO
Dean L. Schorno
Chief Financial Officer

Exhibit 32.1

CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to the requirement set forth in Rule 13a-14(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Section 1350 of Chapter 63 of Title 18 of the United States Code (18 U.S.C. §1350), Raul R. Rodriguez, Chief Executive Officer of Rigel Pharmaceuticals, Inc. (the "Company"), and Dean L. Schorno, Chief Financial Officer of the Company, each hereby certifies that, to the best of his knowledge:

1. The Company's Quarterly Report on Form 10-Q for the period ended September 30, 2025, to which this Certification is attached as Exhibit 32.1 (the "Periodic Report"), fully complies with the requirements of Section 13(a) or Section 15(d) of the Exchange Act, and

2. The information contained in the Periodic Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

In Witness Whereof, the undersigned have set their hands hereto as of November 4, 2025.

/s/ RAUL R. RODRIGUEZ	/s/ DEAN L. SCHORNO
Raul R. Rodriguez	Dean L. Schorno
Chief Executive Officer	Chief Financial Officer

This certification accompanies the Form 10-Q to which it relates, is not deemed filed with the Securities and Exchange Commission and is not to be incorporated by reference into any filing of Rigel Pharmaceuticals, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended (whether made before or after the date of the Form 10-Q), irrespective of any general incorporation language contained in such filing.